

# MARKET TRENDS

Q4 2020 | Mpls-St Paul | Office

## Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	1,891,522	
Area Unemployment	3.9	
U.S. Unemployment	6.7	
Office Jobs	514,000	

Source: BLS

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

## Market Recap

### All Properties

Total Inventory (sf)	128,445,976
Absorption	(203,552)
Vacancy	13.0%
Asking Rate (FSG)	\$24.81
New Construction (sf)	1,086,220

### Multi-tenant Properties

Total Inventory (sf)	91,002,918
Absorption	(504,464)
Vacancy	17.2%
Asking Rate (FSG)	\$24.84

## 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 3.9% for November 2020 from 2.6% for November 2019. The unemployment rate for the US was 6.7% in November 2020 up from 3.5% last year. State of Minnesota unemployment rate was 4.4%. The Mpls-St Paul MSA saw a decrease in job growth as well as a decrease in office job growth in professional, financial and information dropping 11,900 during the same period.

## Market Overview

The Mpls-St Paul office market, consisting of over 128 msf of space in seven counties across the metro topping 203,000 sf negative absorption for Q4 2020 and posted 87,592 sf negative absorption for 2020. The vacancy rate for the market stands at 13% for all properties. Multi-tenant properties posted 17.2% vacancy with over 504,000 sf negative absorption during Q4 and 522,812 sf negative absorption for 2020. The average asking lease rate for Mpls-St Paul came in at \$24,81 psf FSG. During Q4 2020 there were 7 construction projects throughout the market totaling just over 1.086 msf.

## Market Highlights

During the Q4 2020 the market experienced over 1.04 msf of leasing activity in 285 transactions. Year over Year Class A properties vacancy rate increased for all properties from 8.9% Q4 2019 to 10.8% Q4 2020. Multi-tenant properties also increased from 12.9% Q4 2019 to 15.5% Q4 2020. For multi-tenant properties the Mpls CBD vacancy was 19.3%, St Paul CBD was 18.8% and suburban markets was 15.6%. Northwest market posted the most positive absorption of 277,000 sf with the new delivery of Upsher Smith expansion with 298,000 sf. Sixteen properties were delivered 2020 topping 1,000,000 sf.

# Market Statistics by Building Class (Multi and Single Tenant)

## Total

Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
A	138	48,982,468	6,477,214	5,284,427	18,235	519,737	10.8%
B	725	66,944,780	11,967,561	9,895,779	(275,917)	(514,578)	14.8%
C	181	12,518,728	1,450,818	1,511,119	54,130	(92,751)	12.1%
<b>Grand Total</b>	<b>1,044</b>	<b>128,445,976</b>	<b>19,895,593</b>	<b>16,691,325</b>	<b>(203,552)</b>	<b>(87,592)</b>	<b>13.0%</b>

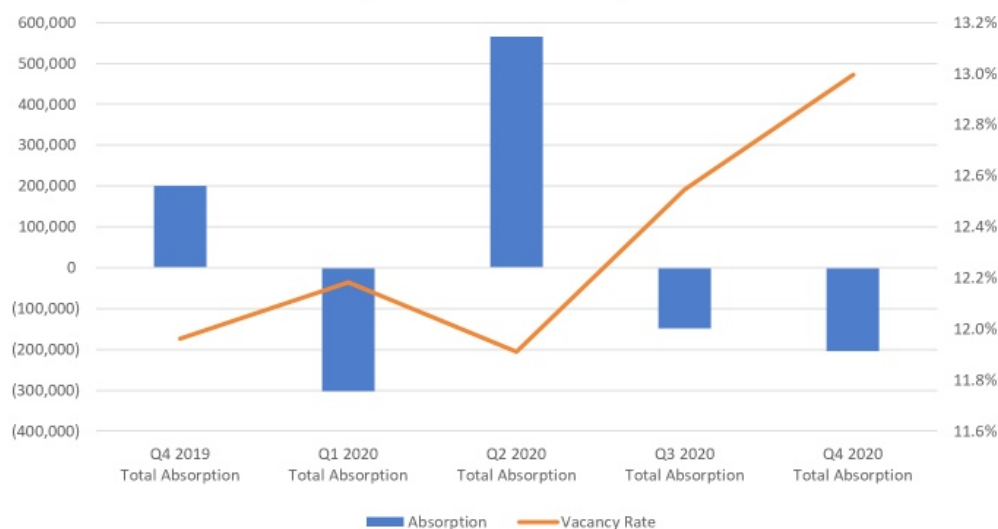
## Direct

Bldg Class	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
A	138	48,982,468	5,889,199	4,949,187	103,138	624,617	10.1%
B	725	66,944,780	10,848,518	9,265,455	(206,280)	(581,073)	13.8%
C	181	12,518,728	1,385,107	1,469,776	58,573	(72,294)	11.7%
<b>Grand Total</b>	<b>1,044</b>	<b>128,445,976</b>	<b>18,122,824</b>	<b>15,684,418</b>	<b>(44,569)</b>	<b>(28,750)</b>	<b>12.2%</b>

## Sublease

Bldg Class	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
A	138	48,982,468	588,015	335,240	(84,903)	(104,880)	0.7%
B	725	66,944,780	1,119,043	630,324	(69,637)	66,495	0.9%
C	181	12,518,728	65,711	41,343	(4,443)	(20,457)	0.3%
<b>Grand Total</b>	<b>1,044</b>	<b>128,445,976</b>	<b>1,772,769</b>	<b>1,006,907</b>	<b>(158,983)</b>	<b>(58,842)</b>	<b>0.8%</b>

## Absorption and Vacancy Rate



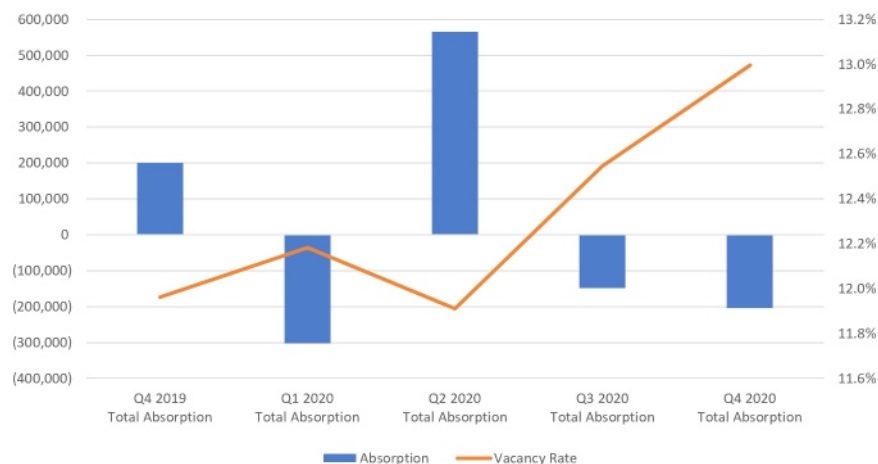
# Market Statistics by Market (Multi and Single Tenant)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Mpls CBD Core	A	26	17,139,129	2,971,761	2,675,183	38,863	46,100	15.6%
	B	32	8,001,818	1,733,093	1,932,030	(26,335)	(93,299)	24.1%
	C	9	863,635	142,550	188,697	0	(14,331)	21.8%
	<b>Subtotal</b>	<b>67</b>	<b>26,004,582</b>	<b>4,847,404</b>	<b>4,795,910</b>	<b>12,528</b>	<b>(61,530)</b>	<b>18.4%</b>
Mpls CBD East	A	6	1,570,432	12,537	5,096	0	279,096	0.3%
	B	5	926,220	303,727	214,525	0	62,621	23.2%
	C	3	171,897	24,747	24,747	3,880	10,443	14.4%
	<b>Subtotal</b>	<b>14</b>	<b>2,668,549</b>	<b>341,011</b>	<b>244,368</b>	<b>3,880</b>	<b>352,160</b>	<b>9.2%</b>
Mpls CBD Loring	B	2	114,683	36,836	27,818	0	(7,465)	24.3%
	C	1	26,848			0	0	0.0%
	<b>Subtotal</b>	<b>3</b>	<b>141,531</b>	<b>36,836</b>	<b>27,818</b>	<b>0</b>	<b>(7,465)</b>	<b>19.7%</b>
Mpls CBD Northeast	A	1	191,610	24,698	24,698	0	1,633	12.9%
	B	28	2,548,370	706,424	489,293	(26,591)	(7,490)	19.2%
	C	6	424,311	81,224	21,974	(2,770)	(20,874)	5.2%
	<b>Subtotal</b>	<b>35</b>	<b>3,164,291</b>	<b>812,346</b>	<b>535,965</b>	<b>(29,361)</b>	<b>(26,731)</b>	<b>16.9%</b>
Mpls CBD Northloop	A	6	1,492,299	303,543	234,166	(3,067)	(19,782)	15.7%
	B	17	1,093,388	275,464	238,532	(20,298)	5,686	21.8%
	C	3	186,976	60,362	55,572	(2,130)	5,718	29.7%
	<b>Subtotal</b>	<b>26</b>	<b>2,772,663</b>	<b>639,369</b>	<b>528,270</b>	<b>(25,495)</b>	<b>(8,378)</b>	<b>19.1%</b>
Mpls CBD Warehouse	A	1	181,516	22,175	10,287	(786)	(9,239)	5.7%
	B	14	1,643,107	450,029	326,677	(55,031)	(86,867)	19.9%
	C	2	126,185			0	0	0.0%
	<b>Subtotal</b>	<b>17</b>	<b>1,950,808</b>	<b>472,204</b>	<b>336,964</b>	<b>(55,817)</b>	<b>(96,106)</b>	<b>17.3%</b>
Mpls CBD	A	40	20,574,986	3,334,714	2,949,430	35,010	297,808	14.3%
	B	98	14,327,586	3,505,573	3,228,875	(128,255)	(126,814)	22.5%
	C	24	1,799,852	308,883	290,990	(1,020)	(19,044)	16.2%
	<b>Subtotal</b>	<b>162</b>	<b>36,702,424</b>	<b>7,149,170</b>	<b>6,469,295</b>	<b>(94,265)</b>	<b>151,950</b>	<b>17.6%</b>

# Market Statistics by Market (Multi and Single Tenant Continued)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Northeast	A	9	4,257,251	220,093	48,406	1,834	9,240	1.1%
	B	171	15,852,129	1,710,825	1,377,419	42,019	125,613	8.7%
	C	43	2,621,822	306,115	288,380	(40,260)	(32,254)	11.0%
	<b>Subtotal</b>	<b>223</b>	<b>22,731,202</b>	<b>2,237,033</b>	<b>1,714,205</b>	<b>3,593</b>	<b>102,599</b>	<b>7.5%</b>
Northwest	A	6	2,708,114	35,074	1,001	298,000	312,838	0.0%
	B	72	4,338,795	576,950	449,033	(25,282)	(61,402)	10.3%
	C	21	998,357	55,857	51,462	4,416	(1,615)	5.2%
	<b>Subtotal</b>	<b>99</b>	<b>8,045,266</b>	<b>667,881</b>	<b>501,496</b>	<b>277,134</b>	<b>249,821</b>	<b>6.2%</b>
Saint Paul CBD	A	9	3,256,631	466,675	493,433	528	17,210	15.2%
	B	31	6,229,273	660,323	875,803	(16,171)	(51,881)	14.1%
	C	7	874,470	149,145	136,363	3,457	(9,105)	15.6%
	<b>Subtotal</b>	<b>47</b>	<b>10,360,374</b>	<b>1,276,143</b>	<b>1,505,599</b>	<b>(12,186)</b>	<b>(43,776)</b>	<b>14.5%</b>
Southeast	A	16	3,578,430	473,721	464,978	(103,505)	(121,908)	13.0%
	B	127	7,582,361	1,706,816	1,175,880	(53,486)	(155,928)	15.5%
	C	36	2,974,381	160,559	155,379	(56,417)	(46,041)	5.2%
	<b>Subtotal</b>	<b>179</b>	<b>14,135,172</b>	<b>2,341,096</b>	<b>1,796,237</b>	<b>(213,408)</b>	<b>(323,877)</b>	<b>12.7%</b>
Southwest	A	40	10,472,841	1,195,073	829,789	(163,439)	108,914	7.9%
	B	158	12,827,626	2,691,910	1,890,218	(21,477)	(41,130)	14.7%
	C	38	2,449,968	398,714	517,000	72,746	(80,916)	21.1%
	<b>Subtotal</b>	<b>236</b>	<b>25,750,435</b>	<b>4,285,697</b>	<b>3,237,007</b>	<b>(112,170)</b>	<b>(13,132)</b>	<b>12.6%</b>
West	A	18	4,134,215	751,864	497,390	(50,193)	(104,365)	12.0%
	B	68	5,787,010	1,115,164	898,551	(73,265)	(203,036)	15.5%
	C	12	799,878	71,545	71,545	71,208	96,224	8.9%
	<b>Subtotal</b>	<b>98</b>	<b>10,721,103</b>	<b>1,938,573</b>	<b>1,467,486</b>	<b>(52,250)</b>	<b>(211,177)</b>	<b>13.7%</b>
Suburban	A	89	25,150,851	2,675,825	1,841,564	(17,303)	204,719	7.3%
	B	596	46,387,921	7,801,665	5,791,101	(131,491)	(335,883)	12.5%
	C	150	9,844,406	992,790	1,083,766	51,693	(64,602)	11.0%
	<b>Subtotal</b>	<b>835</b>	<b>81,383,178</b>	<b>11,470,280</b>	<b>8,716,431</b>	<b>(97,101)</b>	<b>(195,766)</b>	<b>10.7%</b>
<b>Grand Total</b>		<b>1,044</b>	<b>128,445,976</b>	<b>19,895,593</b>	<b>16,691,325</b>	<b>(203,552)</b>	<b>(87,592)</b>	<b>13.0%</b>

Absorption and Vacancy Rate



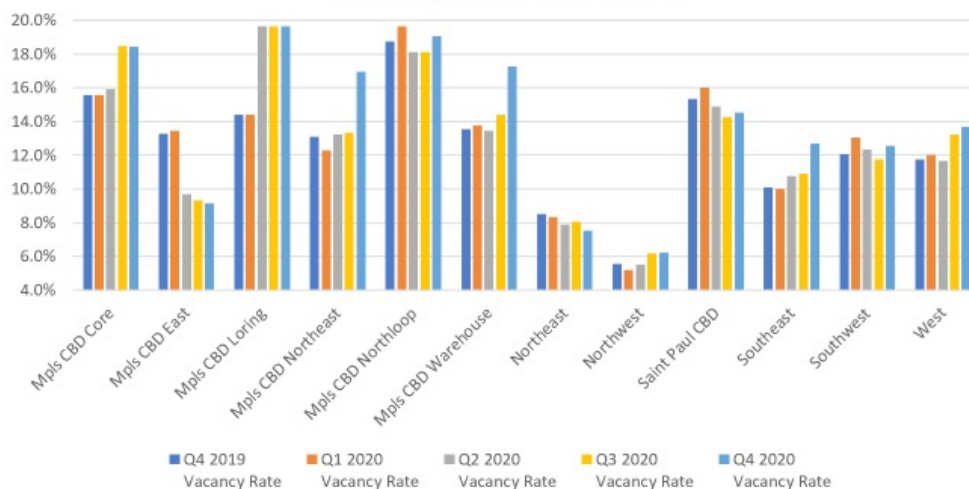
## Vacancy Rates by Market (Multi and Single Tenant)

Market	Bldg Class	Q4 2019 Vacancy Rate	Q1 2020 Vacancy Rate	Q2 2020 Vacancy Rate	Q3 2020 Vacancy Rate	Q4 2020 Vacancy Rate
Mpls CBD Core	A	11.1%	11.1%	11.3%	15.8%	15.6%
	B	25.6%	25.4%	26.0%	23.8%	24.1%
	C	18.3%	19.5%	19.4%	21.8%	21.8%
	<b>Subtotal</b>	<b>15.6%</b>	<b>15.6%</b>	<b>15.9%</b>	<b>18.5%</b>	<b>18.4%</b>
Mpls CBD East	A	0.4%	0.4%	0.3%	0.3%	0.3%
	B	29.9%	29.9%	23.2%	23.2%	23.2%
	C	20.5%	22.8%	22.8%	16.7%	14.4%
	<b>Subtotal</b>	<b>13.3%</b>	<b>13.5%</b>	<b>9.7%</b>	<b>9.3%</b>	<b>9.2%</b>
Mpls CBD Loring	B	17.7%	17.7%	24.3%	24.3%	24.3%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Subtotal</b>	<b>14.4%</b>	<b>14.4%</b>	<b>19.7%</b>	<b>19.7%</b>	<b>19.7%</b>
Mpls CBD Northeast	A	13.7%	13.7%	12.9%	12.9%	12.9%
	B	15.2%	14.2%	14.9%	14.9%	19.2%
	C	0.3%	0.5%	3.9%	4.5%	5.2%
	<b>Subtotal</b>	<b>13.1%</b>	<b>12.3%</b>	<b>13.2%</b>	<b>13.3%</b>	<b>16.9%</b>
Mpls CBD Northloop	A	14.4%	14.9%	15.6%	15.5%	15.7%
	B	22.3%	23.7%	20.1%	20.0%	21.8%
	C	32.8%	33.7%	26.6%	28.6%	29.7%
	<b>Subtotal</b>	<b>18.8%</b>	<b>19.6%</b>	<b>18.1%</b>	<b>18.1%</b>	<b>19.1%</b>
Mpls CBD Warehouse	A	0.6%	0.6%	0.6%	5.2%	5.7%
	B	15.9%	16.3%	15.9%	16.5%	19.9%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Subtotal</b>	<b>13.5%</b>	<b>13.8%</b>	<b>13.4%</b>	<b>14.4%</b>	<b>17.3%</b>
Mpls CBD	A	10.6%	10.6%	10.7%	14.5%	14.3%
	B	22.4%	22.3%	22.0%	21.1%	22.5%
	C	14.4%	15.2%	15.2%	16.1%	16.2%
	<b>Subtotal</b>	<b>15.3%</b>	<b>15.4%</b>	<b>15.3%</b>	<b>17.1%</b>	<b>17.6%</b>

# Vacancy Rates (Multi and Single Tenant Continued)

Market	Bldg Class	Q4 2019 Vacancy Rate	Q1 2020 Vacancy Rate	Q2 2020 Vacancy Rate	Q3 2020 Vacancy Rate	Q4 2020 Vacancy Rate
Northeast	A	1.4%	1.4%	1.4%	1.2%	1.1%
	B	10.2%	9.9%	9.2%	9.6%	8.7%
	C	9.8%	9.7%	10.2%	9.5%	11.0%
	<b>Subtotal</b>	<b>8.5%</b>	<b>8.3%</b>	<b>7.9%</b>	<b>8.1%</b>	<b>7.5%</b>
Northwest	A	0.7%	0.0%	0.0%	0.0%	0.0%
	B	8.4%	8.2%	8.7%	9.8%	10.3%
	C	5.0%	4.6%	4.8%	5.6%	5.2%
	<b>Subtotal</b>	<b>5.5%</b>	<b>5.2%</b>	<b>5.5%</b>	<b>6.2%</b>	<b>6.2%</b>
Saint Paul CBD	A	15.7%	16.4%	16.8%	15.2%	15.2%
	B	15.3%	15.8%	13.7%	13.6%	14.1%
	C	14.6%	16.1%	16.1%	16.0%	15.6%
	<b>Subtotal</b>	<b>15.3%</b>	<b>16.0%</b>	<b>14.9%</b>	<b>14.3%</b>	<b>14.5%</b>
Southeast	A	9.6%	9.2%	8.5%	10.1%	13.0%
	B	12.8%	13.0%	14.6%	14.2%	15.5%
	C	3.6%	3.2%	3.5%	3.2%	5.2%
	<b>Subtotal</b>	<b>10.1%</b>	<b>10.0%</b>	<b>10.8%</b>	<b>10.9%</b>	<b>12.7%</b>
Southwest	A	7.8%	8.2%	6.7%	6.4%	7.9%
	B	14.3%	15.5%	14.7%	13.9%	14.7%
	C	17.8%	20.8%	23.2%	24.1%	21.1%
	<b>Subtotal</b>	<b>12.0%</b>	<b>13.1%</b>	<b>12.3%</b>	<b>11.8%</b>	<b>12.6%</b>
West	A	9.4%	11.1%	10.9%	10.8%	12.0%
	B	12.1%	11.4%	12.1%	14.3%	15.5%
	C	21.4%	21.2%	13.0%	18.2%	8.9%
	<b>Subtotal</b>	<b>11.7%</b>	<b>12.0%</b>	<b>11.7%</b>	<b>13.2%</b>	<b>13.7%</b>
Suburban	A	6.6%	6.9%	6.1%	6.2%	7.3%
	B	11.8%	11.9%	11.9%	12.1%	12.5%
	C	10.3%	10.8%	11.0%	11.4%	11.0%
	<b>Subtotal</b>	<b>10.0%</b>	<b>10.3%</b>	<b>10.1%</b>	<b>10.2%</b>	<b>10.7%</b>
<b>Grand Total</b>		<b>12.0%</b>	<b>12.2%</b>	<b>11.9%</b>	<b>12.5%</b>	<b>13.0%</b>

Vacancy Rate by Market



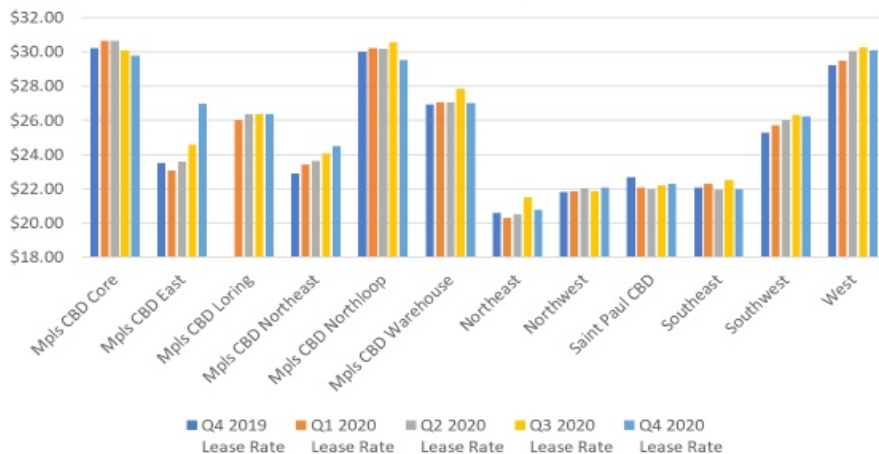
## Lease Rates by Market (Multi and Single Tenant FSG)

Market	Bldg Class	Q4 2019 Lease Rate	Q1 2020 Lease Rate	Q2 2020 Lease Rate	Q3 2020 Lease Rate	Q4 2020 Lease Rate
Mpls CBD Core	A	\$35.09	\$36.21	\$36.31	\$35.97	\$36.15
	B	\$27.81	\$27.83	\$27.62	\$27.64	\$27.68
	C	\$24.33	\$24.55	\$25.15	\$21.53	\$20.73
	<b>Subtotal</b>	<b>\$30.21</b>	<b>\$30.67</b>	<b>\$30.66</b>	<b>\$30.07</b>	<b>\$29.77</b>
Mpls CBD East	A					
	B	\$26.83	\$26.41	\$27.35	\$28.46	\$27.35
	C	\$16.86	\$18.60	\$18.60	\$18.79	\$25.58
	<b>Subtotal</b>	<b>\$23.51</b>	<b>\$23.06</b>	<b>\$23.60</b>	<b>\$24.59</b>	<b>\$26.99</b>
Mpls CBD Loring	B		\$26.00	\$26.35	\$26.35	\$26.35
	C					
	<b>Subtotal</b>		<b>\$26.00</b>	<b>\$26.35</b>	<b>\$26.35</b>	<b>\$26.35</b>
Mpls CBD Northeast	A	\$25.52				
	B	\$23.27	\$24.11	\$24.25	\$24.52	\$25.18
	C	\$15.40	\$20.96	\$21.70	\$22.57	\$21.76
	<b>Subtotal</b>	<b>\$22.89</b>	<b>\$23.43</b>	<b>\$23.61</b>	<b>\$24.08</b>	<b>\$24.49</b>
Mpls CBD Northloop	A	\$37.23	\$37.78	\$38.09	\$38.14	\$38.14
	B	\$26.22	\$26.64	\$26.49	\$27.13	\$25.75
	C	\$24.03	\$24.83	\$23.77	\$23.84	\$24.48
	<b>Subtotal</b>	<b>\$29.99</b>	<b>\$30.23</b>	<b>\$30.18</b>	<b>\$30.58</b>	<b>\$29.54</b>
Mpls CBD Warehouse	A					
	B	\$26.91	\$27.06	\$27.06	\$27.83	\$27.03
	C					
	<b>Subtotal</b>	<b>\$26.91</b>	<b>\$27.06</b>	<b>\$27.06</b>	<b>\$27.83</b>	<b>\$27.03</b>
Mpls CBD	A	\$35.15	\$36.70	\$36.87	\$36.60	\$36.73
	B	\$26.05	\$26.44	\$26.42	\$26.66	\$26.41
	C	\$20.88	\$21.72	\$21.98	\$21.62	\$21.89
	<b>Subtotal</b>	<b>\$27.74</b>	<b>\$28.07</b>	<b>\$28.02</b>	<b>\$28.17</b>	<b>\$27.98</b>

# Lease Rates (Multi and Single Tenant FSG Continued)

Market	Bldg Class	Q4 2019 Lease Rate	Q1 2020 Lease Rate	Q2 2020 Lease Rate	Q3 2020 Lease Rate	Q4 2020 Lease Rate
Northeast	A	\$27.80	\$27.29	\$27.29	\$27.04	\$27.80
	B	\$21.13	\$20.94	\$21.34	\$22.17	\$21.33
	C	\$16.26	\$15.46	\$14.93	\$16.37	\$16.45
	<b>Subtotal</b>	<b>\$20.62</b>	<b>\$20.31</b>	<b>\$20.53</b>	<b>\$21.50</b>	<b>\$20.78</b>
Northwest	A	\$30.27	\$31.74	\$31.74	\$31.74	\$31.74
	B	\$21.85	\$22.11	\$22.35	\$22.25	\$22.33
	C	\$20.48	\$19.36	\$19.36	\$19.21	\$19.02
	<b>Subtotal</b>	<b>\$21.82</b>	<b>\$21.86</b>	<b>\$22.05</b>	<b>\$21.86</b>	<b>\$22.06</b>
Saint Paul CBD	A	\$26.50	\$26.83	\$26.83	\$27.09	\$27.21
	B	\$21.24	\$19.79	\$19.74	\$19.83	\$20.35
	C	\$18.39	\$18.56	\$18.63	\$19.10	\$18.94
	<b>Subtotal</b>	<b>\$22.68</b>	<b>\$22.08</b>	<b>\$21.98</b>	<b>\$22.20</b>	<b>\$22.30</b>
Southeast	A	\$28.64	\$29.04	\$29.04	\$29.04	\$28.46
	B	\$21.58	\$21.87	\$21.73	\$22.20	\$21.60
	C	\$20.44	\$20.05	\$18.37	\$20.25	\$20.37
	<b>Subtotal</b>	<b>\$22.06</b>	<b>\$22.31</b>	<b>\$21.95</b>	<b>\$22.51</b>	<b>\$21.98</b>
Southwest	A	\$32.92	\$34.03	\$33.94	\$34.09	\$34.57
	B	\$23.46	\$23.74	\$24.23	\$24.37	\$24.35
	C	\$21.65	\$22.29	\$22.28	\$22.26	\$22.39
	<b>Subtotal</b>	<b>\$25.27</b>	<b>\$25.73</b>	<b>\$26.03</b>	<b>\$26.32</b>	<b>\$26.25</b>
West	A	\$36.96	\$37.57	\$37.44	\$37.45	\$37.26
	B	\$27.54	\$27.76	\$28.15	\$28.76	\$28.36
	C	\$23.49	\$24.29	\$25.93	\$22.29	\$22.29
	<b>Subtotal</b>	<b>\$29.23</b>	<b>\$29.50</b>	<b>\$30.07</b>	<b>\$30.25</b>	<b>\$30.10</b>
Suburban	A	\$33.20	\$34.03	\$33.95	\$34.02	\$34.24
	B	\$23.01	\$23.11	\$23.32	\$23.71	\$23.29
	C	\$20.15	\$20.15	\$19.47	\$20.09	\$20.25
	<b>Subtotal</b>	<b>\$23.95</b>	<b>\$24.10</b>	<b>\$24.14</b>	<b>\$24.55</b>	<b>\$24.27</b>
<b>Grand Total</b>		<b>\$24.52</b>	<b>\$24.64</b>	<b>\$24.66</b>	<b>\$25.03</b>	<b>\$24.81</b>

Lease Rates by Market





# Market Statistics by Building Class (Multi-Tenant)

## Total

Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
A	98	33,460,058	6,215,065	5,179,989	(180,423)	(60,950)	15.5%
B	604	49,143,072	10,866,131	9,211,438	(307,771)	(417,111)	18.7%
C	142	8,399,788	1,214,780	1,301,631	(16,270)	(44,751)	15.5%
<b>Grand Total</b>	<b>844</b>	<b>91,002,918</b>	<b>18,295,976</b>	<b>15,693,058</b>	<b>(504,464)</b>	<b>(522,812)</b>	<b>17.2%</b>

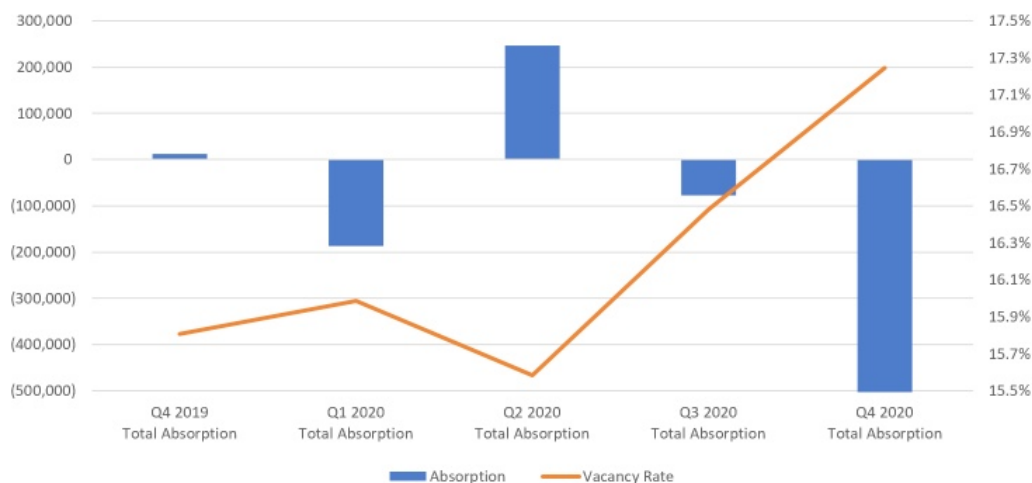
## Direct

Bldg Class	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
A	98	33,460,058	5,627,050	4,844,749	(95,520)	43,930	14.5%
B	604	49,143,072	9,967,088	8,801,114	(238,134)	(483,606)	17.9%
C	142	8,399,788	1,149,069	1,260,288	(11,827)	(24,294)	15.0%
<b>Grand Total</b>	<b>844</b>	<b>91,002,918</b>	<b>16,743,207</b>	<b>14,906,151</b>	<b>(345,481)</b>	<b>(463,970)</b>	<b>16.4%</b>

## Sublease

Bldg Class	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
A	98	33,460,058	588,015	335,240	(84,903)	(104,880)	1.0%
B	604	49,143,072	899,043	410,324	(69,637)	66,495	0.8%
C	142	8,399,788	65,711	41,343	(4,443)	(20,457)	0.5%
<b>Grand Total</b>	<b>844</b>	<b>91,002,918</b>	<b>1,552,769</b>	<b>786,907</b>	<b>(158,983)</b>	<b>(58,842)</b>	<b>0.9%</b>

## Absorption and Vacancy Rate

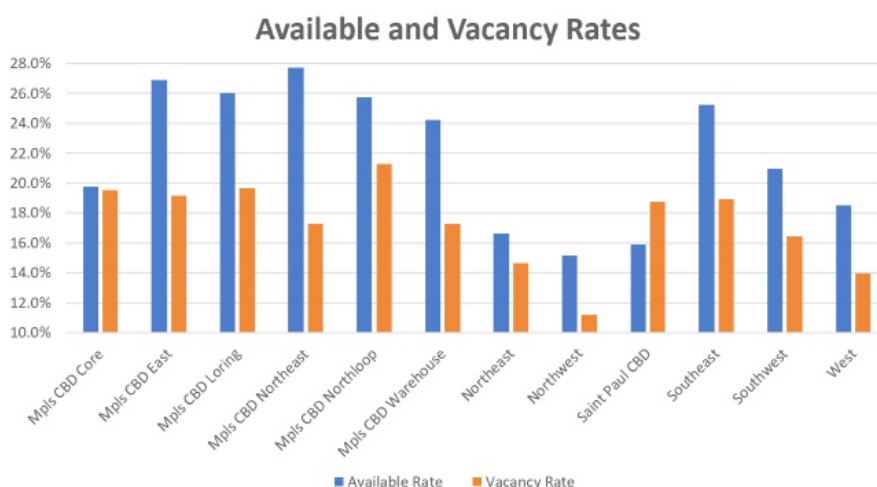


# Market Statistics by Market (Multi-Tenant)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Mpls CBD Core	A	23	16,245,502	2,971,761	2,675,183	38,863	46,100	16.5%
	B	30	7,433,505	1,733,093	1,932,030	(26,335)	(93,299)	26.0%
	C	9	863,635	142,550	188,697	0	(14,331)	21.8%
	<b>Subtotal</b>	<b>62</b>	<b>24,542,642</b>	<b>4,847,404</b>	<b>4,795,910</b>	<b>12,528</b>	<b>(61,530)</b>	<b>19.5%</b>
Mpls CBD East	A	2	150,659	7,441		0	0	0.0%
	B	5	926,220	303,727	214,525	0	62,621	23.2%
	C	3	171,897	24,747	24,747	3,880	10,443	14.4%
	<b>Subtotal</b>	<b>10</b>	<b>1,248,776</b>	<b>335,915</b>	<b>239,272</b>	<b>3,880</b>	<b>73,064</b>	<b>19.2%</b>
Mpls CBD Loring	B	2	114,683	36,836	27,818	0	(7,465)	24.3%
	C	1	26,848			0	0	0.0%
	<b>Subtotal</b>	<b>3</b>	<b>141,531</b>	<b>36,836</b>	<b>27,818</b>	<b>0</b>	<b>(7,465)</b>	<b>19.7%</b>
Mpls CBD Northeast	A	1	191,610	24,698	24,698	0	1,633	12.9%
	B	25	2,025,082	626,424	409,293	(26,591)	(7,490)	20.2%
	C	6	424,311	81,224	21,974	(2,770)	(20,874)	5.2%
	<b>Subtotal</b>	<b>32</b>	<b>2,641,003</b>	<b>732,346</b>	<b>455,965</b>	<b>(29,361)</b>	<b>(26,731)</b>	<b>17.3%</b>
Mpls CBD Northloop	A	5	1,203,483	303,543	234,166	(3,067)	(19,782)	19.5%
	B	17	1,093,388	275,464	238,532	(20,298)	5,686	21.8%
	C	3	186,976	60,362	55,572	(2,130)	5,718	29.7%
	<b>Subtotal</b>	<b>25</b>	<b>2,483,847</b>	<b>639,369</b>	<b>528,270</b>	<b>(25,495)</b>	<b>(8,378)</b>	<b>21.3%</b>
Mpls CBD Warehouse	A	1	181,516	22,175	10,287	(786)	(9,239)	5.7%
	B	14	1,643,107	450,029	326,677	(55,031)	(86,867)	19.9%
	C	2	126,185			0	0	0.0%
	<b>Subtotal</b>	<b>17</b>	<b>1,950,808</b>	<b>472,204</b>	<b>336,964</b>	<b>(55,817)</b>	<b>(96,106)</b>	<b>17.3%</b>
Mpls CBD	A	32	17,972,770	3,329,618	2,944,334	35,010	18,712	16.4%
	B	93	13,235,985	3,425,573	3,148,875	(128,255)	(126,814)	23.8%
	C	24	1,799,852	308,883	290,990	(1,020)	(19,044)	16.2%
	<b>Subtotal</b>	<b>149</b>	<b>33,008,607</b>	<b>7,064,074</b>	<b>6,384,199</b>	<b>(94,265)</b>	<b>(127,146)</b>	<b>19.3%</b>

# Market Statistics by Market (Multi-Tenant Continued)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Northeast	A	1	315,076	62,382	48,406	1,834	9,240	15.4%
	B	125	7,244,227	1,357,361	1,180,209	10,165	130,949	16.3%
	C	30	1,677,262	118,077	126,892	(40,260)	(32,254)	7.6%
	<b>Subtotal</b>	<b>156</b>	<b>9,236,565</b>	<b>1,537,820</b>	<b>1,355,507</b>	<b>(28,261)</b>	<b>107,935</b>	<b>14.7%</b>
Northwest	A	2	465,244	35,074	1,001	0	14,838	0.2%
	B	59	3,157,285	544,819	416,902	(25,282)	(54,271)	13.2%
	C	14	564,775	55,857	51,462	4,416	(1,615)	9.1%
	<b>Subtotal</b>	<b>75</b>	<b>4,187,304</b>	<b>635,750</b>	<b>469,365</b>	<b>(20,866)</b>	<b>(41,048)</b>	<b>11.2%</b>
Saint Paul CBD	A	9	3,256,631	466,675	493,433	528	17,210	15.2%
	B	25	3,951,995	660,323	875,803	(16,171)	(51,881)	22.2%
	C	6	814,423	149,145	136,363	3,457	(9,105)	16.7%
	<b>Subtotal</b>	<b>40</b>	<b>8,023,049</b>	<b>1,276,143</b>	<b>1,505,599</b>	<b>(12,186)</b>	<b>(43,776)</b>	<b>18.8%</b>
Southeast	A	10	1,365,403	374,379	365,636	(4,163)	(22,566)	26.8%
	B	109	6,054,752	1,641,816	1,110,880	(53,486)	(160,928)	18.3%
	C	31	1,206,875	160,559	155,379	(56,417)	(46,041)	12.9%
	<b>Subtotal</b>	<b>150</b>	<b>8,627,030</b>	<b>2,176,754</b>	<b>1,631,895</b>	<b>(114,066)</b>	<b>(229,535)</b>	<b>18.9%</b>
Southwest	A	28	6,391,583	1,195,073	829,789	(163,439)	5,981	13.0%
	B	130	9,929,825	2,232,875	1,670,218	(21,477)	(41,130)	16.8%
	C	28	1,723,797	350,714	469,000	2,346	(32,916)	27.2%
	<b>Subtotal</b>	<b>186</b>	<b>18,045,205</b>	<b>3,778,662</b>	<b>2,969,007</b>	<b>(182,570)</b>	<b>(68,065)</b>	<b>16.5%</b>
West	A	16	3,693,351	751,864	497,390	(50,193)	(104,365)	13.5%
	B	63	5,569,003	1,003,364	808,551	(73,265)	(113,036)	14.5%
	C	9	612,804	71,545	71,545	71,208	96,224	11.7%
	<b>Subtotal</b>	<b>88</b>	<b>9,875,158</b>	<b>1,826,773</b>	<b>1,377,486</b>	<b>(52,250)</b>	<b>(121,177)</b>	<b>13.9%</b>
Suburban	A	57	12,230,657	2,418,772	1,742,222	(215,961)	(96,872)	14.2%
	B	486	31,955,092	6,780,235	5,186,760	(163,345)	(238,416)	16.2%
	C	112	5,785,513	756,752	874,278	(18,707)	(16,602)	15.1%
	<b>Subtotal</b>	<b>655</b>	<b>49,971,262</b>	<b>9,955,759</b>	<b>7,803,260</b>	<b>(398,013)</b>	<b>(351,890)</b>	<b>15.6%</b>
<b>Grand Total</b>		<b>844</b>	<b>91,002,918</b>	<b>18,295,976</b>	<b>15,693,058</b>	<b>(504,464)</b>	<b>(522,812)</b>	<b>17.2%</b>

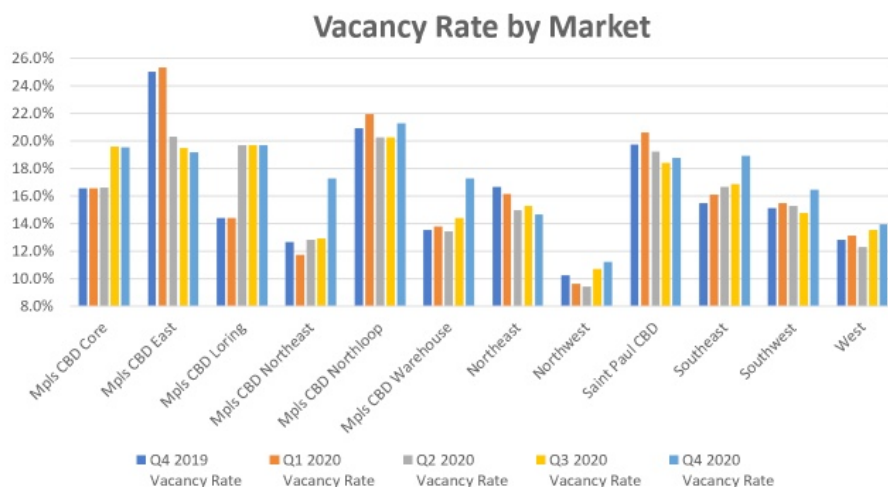


## Vacancy Rates by Market (Multi-Tenant)

Market	Bldg Class	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
		Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
Mpls CBD Core	A	12.1%	12.1%	11.9%	16.7%	16.5%
	B	26.0%	25.8%	26.3%	25.6%	26.0%
	C	18.3%	19.5%	19.4%	21.8%	21.8%
	<b>Subtotal</b>	<b>16.6%</b>	<b>16.6%</b>	<b>16.6%</b>	<b>19.6%</b>	<b>19.5%</b>
Mpls CBD East	A	0.0%	0.0%	0.0%	0.0%	0.0%
	B	29.9%	29.9%	23.2%	23.2%	23.2%
	C	20.5%	22.8%	22.8%	16.7%	14.4%
	<b>Subtotal</b>	<b>25.0%</b>	<b>25.3%</b>	<b>20.3%</b>	<b>19.5%</b>	<b>19.2%</b>
Mpls CBD Loring	B	17.7%	17.7%	24.3%	24.3%	24.3%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Subtotal</b>	<b>14.4%</b>	<b>14.4%</b>	<b>19.7%</b>	<b>19.7%</b>	<b>19.7%</b>
Mpls CBD Northeast	A	13.7%	13.7%	12.9%	12.9%	12.9%
	B	15.2%	13.9%	14.8%	14.7%	20.2%
	C	0.3%	0.5%	3.9%	4.5%	5.2%
	<b>Subtotal</b>	<b>12.6%</b>	<b>11.7%</b>	<b>12.8%</b>	<b>12.9%</b>	<b>17.3%</b>
Mpls CBD Northloop	A	17.8%	18.4%	19.4%	19.2%	19.5%
	B	22.3%	23.7%	20.1%	20.0%	21.8%
	C	32.8%	33.7%	26.6%	28.6%	29.7%
	<b>Subtotal</b>	<b>20.9%</b>	<b>21.9%</b>	<b>20.2%</b>	<b>20.2%</b>	<b>21.3%</b>
Mpls CBD Warehouse	A	0.6%	0.6%	0.6%	5.2%	5.7%
	B	15.9%	16.3%	15.9%	16.5%	19.9%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Subtotal</b>	<b>13.5%</b>	<b>13.8%</b>	<b>13.4%</b>	<b>14.4%</b>	<b>17.3%</b>
Mpls CBD	A	12.3%	12.3%	12.2%	16.6%	16.4%
	B	22.9%	22.8%	22.5%	22.2%	23.8%
	C	14.4%	15.2%	15.2%	16.1%	16.2%
	<b>Subtotal</b>	<b>16.7%</b>	<b>16.8%</b>	<b>16.6%</b>	<b>18.8%</b>	<b>19.3%</b>

# Vacancy Rates (Multi-Tenant Continued)

Market	Bldg Class	Q4 2019 Vacancy Rate	Q1 2020 Vacancy Rate	Q2 2020 Vacancy Rate	Q3 2020 Vacancy Rate	Q4 2020 Vacancy Rate
Northeast	A	18.3%	18.3%	18.3%	15.9%	15.4%
	B	19.1%	18.5%	16.8%	17.6%	16.3%
	C	5.6%	5.5%	6.3%	5.2%	7.6%
	<b>Subtotal</b>	<b>16.6%</b>	<b>16.2%</b>	<b>15.0%</b>	<b>15.3%</b>	<b>14.7%</b>
Northwest	A	3.4%	0.2%	0.2%	0.2%	0.2%
	B	11.5%	11.3%	11.0%	12.4%	13.2%
	C	8.8%	8.2%	8.5%	9.9%	9.1%
	<b>Subtotal</b>	<b>10.2%</b>	<b>9.6%</b>	<b>9.4%</b>	<b>10.7%</b>	<b>11.2%</b>
Saint Paul CBD	A	15.7%	16.4%	16.8%	15.2%	15.2%
	B	23.7%	24.5%	21.6%	21.2%	22.2%
	C	15.6%	17.3%	17.3%	17.2%	16.7%
	<b>Subtotal</b>	<b>19.7%</b>	<b>20.6%</b>	<b>19.2%</b>	<b>18.4%</b>	<b>18.8%</b>
Southeast	A	25.1%	24.2%	22.3%	26.5%	26.8%
	B	14.8%	16.1%	17.1%	16.6%	18.3%
	C	8.4%	7.6%	8.2%	7.6%	12.9%
	<b>Subtotal</b>	<b>15.5%</b>	<b>16.1%</b>	<b>16.6%</b>	<b>16.8%</b>	<b>18.9%</b>
Southwest	A	12.2%	12.8%	10.5%	10.4%	13.0%
	B	15.2%	15.4%	16.4%	15.4%	16.8%
	C	25.3%	25.5%	26.1%	27.3%	27.2%
	<b>Subtotal</b>	<b>15.1%</b>	<b>15.5%</b>	<b>15.2%</b>	<b>14.8%</b>	<b>16.5%</b>
West	A	10.6%	12.5%	12.3%	12.1%	13.5%
	B	12.6%	11.9%	11.8%	13.3%	14.5%
	C	28.1%	27.8%	17.0%	23.9%	11.7%
	<b>Subtotal</b>	<b>12.8%</b>	<b>13.1%</b>	<b>12.3%</b>	<b>13.5%</b>	<b>13.9%</b>
Suburban	A	13.0%	13.6%	12.2%	12.5%	14.2%
	B	15.2%	15.2%	15.3%	15.5%	16.2%
	C	14.6%	14.4%	13.8%	14.6%	15.1%
	<b>Subtotal</b>	<b>14.6%</b>	<b>14.8%</b>	<b>14.4%</b>	<b>14.6%</b>	<b>15.6%</b>
<b>Grand Total</b>	<b>15.8%</b>	<b>16.0%</b>	<b>15.6%</b>	<b>16.5%</b>	<b>17.2%</b>	

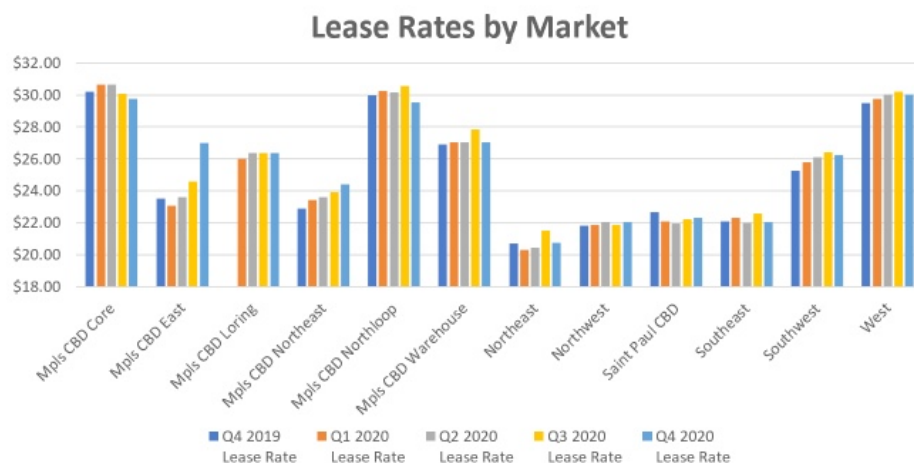


## Lease Rates by Market (Multi-Tenant FSG)

Market	Bldg Class	Q4 2019 Lease Rate	Q1 2020 Lease Rate	Q2 2020 Lease Rate	Q3 2020 Lease Rate	Q4 2020 Lease Rate
Mpls CBD Core	A	\$35.09	\$36.21	\$36.31	\$35.97	\$36.15
	B	\$27.81	\$27.83	\$27.62	\$27.64	\$27.68
	C	\$24.33	\$24.55	\$25.15	\$21.53	\$20.73
	<b>Subtotal</b>	<b>\$30.21</b>	<b>\$30.67</b>	<b>\$30.66</b>	<b>\$30.07</b>	<b>\$29.77</b>
Mpls CBD East	A					
	B	\$26.83	\$26.41	\$27.35	\$28.46	\$27.35
	C	\$16.86	\$18.60	\$18.60	\$18.79	\$25.58
	<b>Subtotal</b>	<b>\$23.51</b>	<b>\$23.06</b>	<b>\$23.60</b>	<b>\$24.59</b>	<b>\$26.99</b>
Mpls CBD Loring	B		\$26.00	\$26.35	\$26.35	\$26.35
	C					
	<b>Subtotal</b>		<b>\$26.00</b>	<b>\$26.35</b>	<b>\$26.35</b>	<b>\$26.35</b>
Mpls CBD Northeast	A	\$25.52				
	B	\$23.27	\$24.11	\$24.25	\$24.36	\$25.09
	C	\$15.40	\$20.96	\$21.70	\$22.57	\$21.76
	<b>Subtotal</b>	<b>\$22.89</b>	<b>\$23.43</b>	<b>\$23.61</b>	<b>\$23.94</b>	<b>\$24.39</b>
Mpls CBD Northloop	A	\$37.23	\$37.78	\$38.09	\$38.14	\$38.14
	B	\$26.22	\$26.64	\$26.49	\$27.13	\$25.75
	C	\$24.03	\$24.83	\$23.77	\$23.84	\$24.48
	<b>Subtotal</b>	<b>\$29.99</b>	<b>\$30.23</b>	<b>\$30.18</b>	<b>\$30.58</b>	<b>\$29.54</b>
Mpls CBD Warehouse	A					
	B	\$26.91	\$27.06	\$27.06	\$27.83	\$27.03
	C					
	<b>Subtotal</b>	<b>\$26.91</b>	<b>\$27.06</b>	<b>\$27.06</b>	<b>\$27.83</b>	<b>\$27.03</b>
Mpls CBD	A	\$35.15	\$36.70	\$36.87	\$36.60	\$36.73
	B	\$26.05	\$26.44	\$26.42	\$26.66	\$26.41
	C	\$20.88	\$21.72	\$21.98	\$21.62	\$21.89
	<b>Subtotal</b>	<b>\$27.74</b>	<b>\$28.07</b>	<b>\$28.02</b>	<b>\$28.19</b>	<b>\$28.00</b>

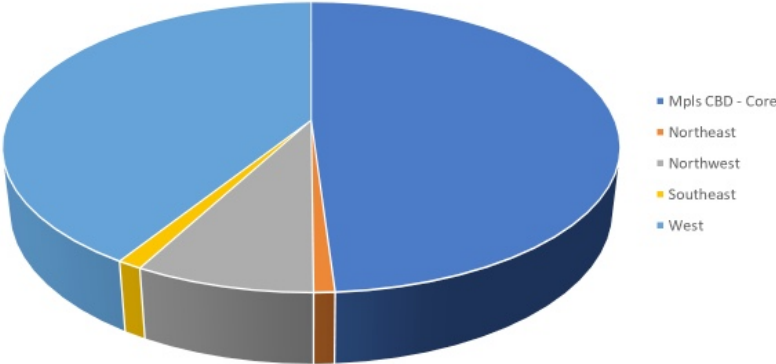
# Lease Rates (Multi-Tenant FSG Continued)

Market	Bldg Class	Q4 2019 Lease Rate	Q1 2020 Lease Rate	Q2 2020 Lease Rate	Q3 2020 Lease Rate	Q4 2020 Lease Rate
Northeast	A	\$27.80	\$27.29	\$27.29	\$27.04	\$27.80
	B	\$21.22	\$21.00	\$21.26	\$22.20	\$21.33
	C	\$15.73	\$14.89	\$14.37	\$15.92	\$16.01
	<b>Subtotal</b>	<b>\$20.69</b>	<b>\$20.32</b>	<b>\$20.42</b>	<b>\$21.51</b>	<b>\$20.77</b>
Northwest	A	\$30.27	\$31.74	\$31.74	\$31.74	\$31.74
	B	\$21.85	\$22.11	\$22.35	\$22.25	\$22.33
	C	\$20.48	\$19.36	\$19.36	\$19.21	\$19.02
	<b>Subtotal</b>	<b>\$21.82</b>	<b>\$21.86</b>	<b>\$22.05</b>	<b>\$21.86</b>	<b>\$22.06</b>
Saint Paul CBD	A	\$26.50	\$26.83	\$26.83	\$27.09	\$27.21
	B	\$21.24	\$19.79	\$19.74	\$19.83	\$20.35
	C	\$18.39	\$18.56	\$18.63	\$19.10	\$18.94
	<b>Subtotal</b>	<b>\$22.68</b>	<b>\$22.08</b>	<b>\$21.98</b>	<b>\$22.20</b>	<b>\$22.30</b>
Southeast	A	\$28.64	\$29.04	\$29.04	\$29.04	\$28.46
	B	\$21.61	\$21.87	\$21.78	\$22.27	\$21.65
	C	\$20.44	\$20.05	\$18.37	\$20.25	\$20.37
	<b>Subtotal</b>	<b>\$22.09</b>	<b>\$22.31</b>	<b>\$22.00</b>	<b>\$22.57</b>	<b>\$22.03</b>
Southwest	A	\$32.92	\$34.03	\$33.94	\$34.09	\$34.57
	B	\$23.46	\$23.74	\$24.21	\$24.35	\$24.33
	C	\$21.65	\$22.22	\$22.20	\$22.21	\$22.13
	<b>Subtotal</b>	<b>\$25.27</b>	<b>\$25.81</b>	<b>\$26.09</b>	<b>\$26.41</b>	<b>\$26.26</b>
West	A	\$36.96	\$37.57	\$37.44	\$37.45	\$37.26
	B	\$27.81	\$28.04	\$28.06	\$28.63	\$28.21
	C	\$23.49	\$24.29	\$25.93	\$22.29	\$22.29
	<b>Subtotal</b>	<b>\$29.49</b>	<b>\$29.77</b>	<b>\$30.04</b>	<b>\$30.19</b>	<b>\$30.03</b>
Suburban	A	\$33.20	\$34.03	\$33.95	\$34.02	\$34.24
	B	\$23.06	\$23.16	\$23.30	\$23.72	\$23.29
	C	\$20.16	\$20.03	\$19.29	\$19.97	\$20.11
	<b>Subtotal</b>	<b>\$24.01</b>	<b>\$24.18</b>	<b>\$24.17</b>	<b>\$24.60</b>	<b>\$24.30</b>
<b>Grand Total</b>		<b>\$24.58</b>	<b>\$24.72</b>	<b>\$24.69</b>	<b>\$25.07</b>	<b>\$24.84</b>



# New Developments

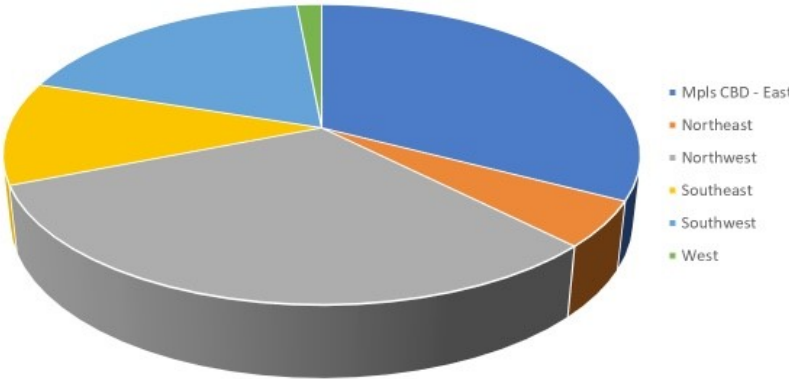
Under Construction SF



Market	Bldg SF
Mpls CBD - Core	532,000
Northeast	10,000
Northwest	86,000
Southeast	12,000
West	446,220
<b>Grand Total</b>	<b>1,086,220</b>

# Year to Date Deliveries

YTD Delivered SF

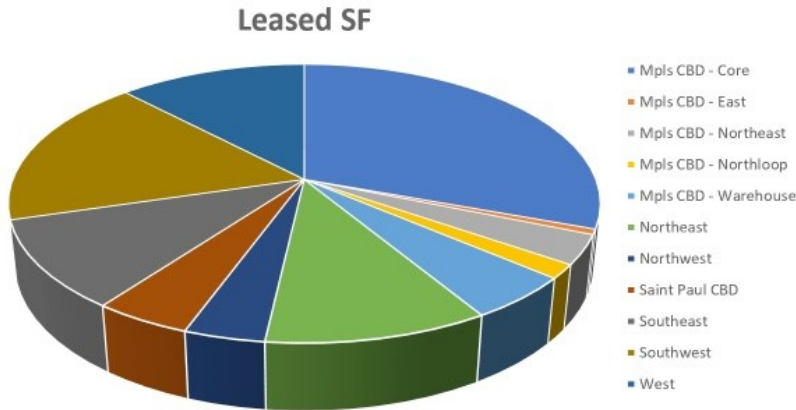


Market	Bldg SF
Mpls CBD - East	350,000
Northeast	52,816
Northwest	336,000
Southeast	118,981
Southwest	197,719
West	16,000
<b>Grand Total</b>	<b>1,071,516</b>



# Leasing Activity

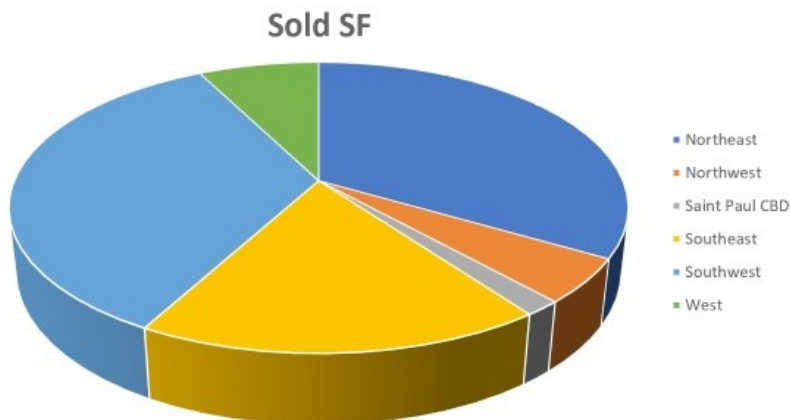
Property	Size (sf)	Market	Tenant	Landlord
RBC Plaza 60 S 6th St	178,191	Mpls CBD - Core	Fredrickson and Byron	KBS Capital Advisors LLC
7500 Flying Cloud Dr	30,533	Southwest	Milk Specialties	7500 Flying Cloud LLC
1600 Tower at West End	28,000	West	Total Expert	BRI 1880 Towers at West LLC
121 S 8th St	23,207	Mpls CBD - Core	Deluxe Corporation	FSP 121 South Eighth St LLC
The Marq 250 S Marquette Ave	23,090	Mpls CBD - Core	Scoular	KBS SOR Marquette Plaza, LLC



Market	Leased SF
Mpls CBD - Core	320,721
Mpls CBD - East	6,442
Mpls CBD - Northeast	35,497
Mpls CBD - Northloop	17,033
Mpls CBD - Warehouse	53,220
Northeast	109,538
Northwest	39,610
Saint Paul CBD	47,821
Southeast	107,415
Southwest	183,059
West	127,030
<b>Grand Total</b>	<b>1,047,386</b>

# Sales Activity

Property	Price	Market	Buyer	Seller
Cornerstone Med Specialty Centre 6025 Lake Rd	\$24,940,000	Southeast	DMI Cornerstone MN, LLC	Cornerstone Medical Building, LLC
Mercy Healthcare Center 3960 NW Coon Rapids Bldg	\$16,615,000	Northeast	3960 Coon Rapids, LLC	OP4 Coon Rapids, LLC
One Southwest Crossing 11095 Viking Dr	\$16,500,000	Southwest	OSWX Ridge LLC	OSWX Property, LLC
15700 37th Ave N	\$15,510,000	Northwest	Juniper City Center Plymouth LLC c/o Healthcare Realty Trust	Sidal Plymouth, LLC c/o Sidal Realty Company
Northpark Corporate Center 1200-1210 W Cty Rd E 6-8 Pine Tree Dr	\$12,200,000	Northeast	Northpark CC LLC	LSREF4 Bison, LLC



Market	Sold SF
Northeast	479,219
Northwest	70,355
Saint Paul CBD	23,760
Southeast	257,428
Southwest	495,272
West	107,713
<b>Grand Total</b>	<b>1,433,747</b>

## Methodology

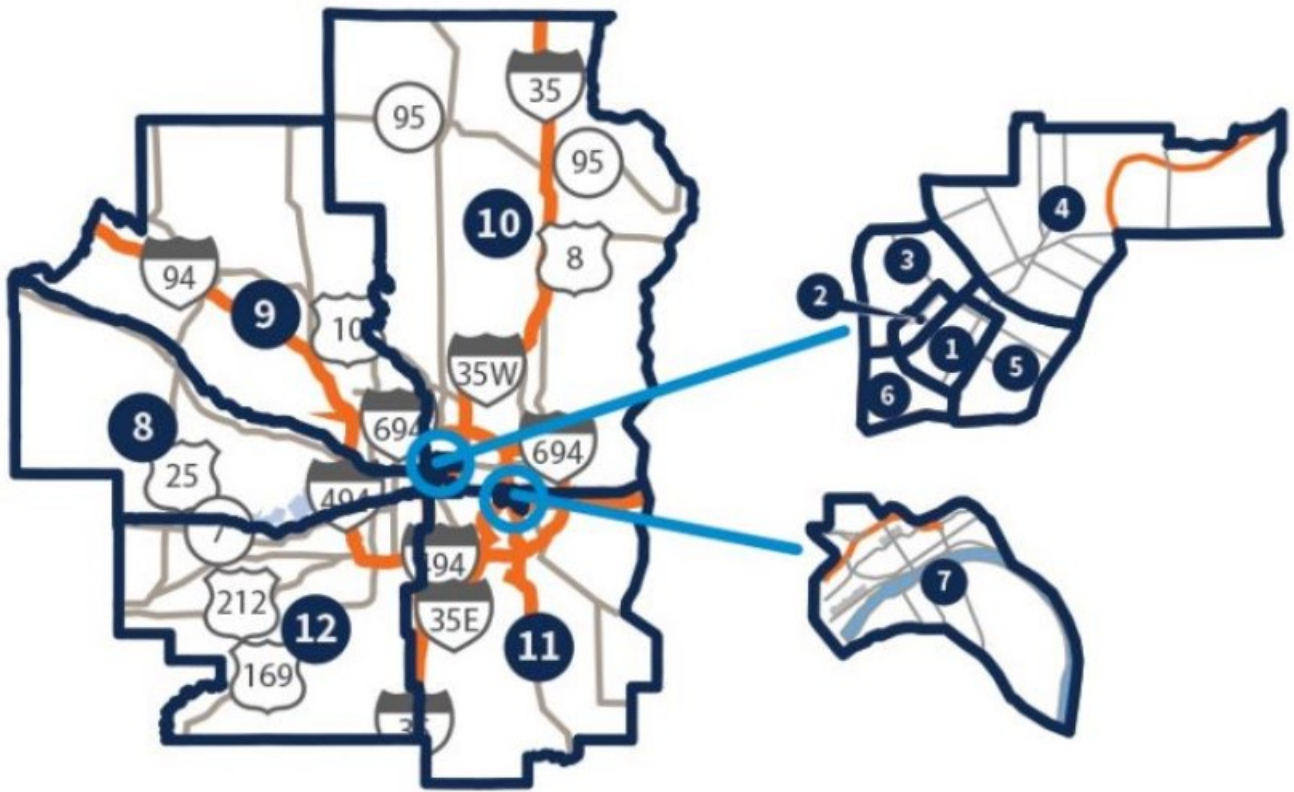
The Mpls-St Paul market consists of single and multi-tenant office buildings 20,000 sf or larger or part of a complex larger than 20,000 sf. The geographic area includes Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington counties. The tracked set does not include medical or government properties. 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 FSG terms with Net type leases grossed up.

**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 and Washington 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 sub-lease 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 his 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 lease rate expressed as a per square foot value in FSG terms with Net type leases grossed up.

# Market Map



- |                        |                  |
|------------------------|------------------|
| 1 Mpls CBD - Core      | 7 Saint Paul CBD |
| 2 Mpls CBD - Warehouse | 8 West           |
| 3 Mpls CBD - Northloop | 9 Northwest      |
| 4 Mpls CBD - Northeast | 10 Northeast     |
| 5 Mpls CBD - East      | 11 Southeast     |
| 6 Mpls CBD - Loring    | 12 Southwest     |

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