

MARKET TRENDS

Q4 2020 | Mpls-St Paul | Industrial

Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	1,891,522	
Area Unemployment	3.9	
U.S. Unemployment	6.7	
Industrial Jobs	190,000	

Source: BLS

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

Market Recap

Total Inventory (sf)	263,045,196
Total # of Bldgs	3,047
Absorption	1,240,795
Vacancy	4.9%
Asking Rate Low (NNN)	\$6.07
Asking Rate High (NNN)	\$9.70
Under Construction (sf)	1,976,901

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 industrial job growth in manufacturing dropping 9,700 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 1,240,000 sf of positive absorption for Q4 2020 and finished the year with 2,480,513 sf positive absorption. Multi-tenant properties posted 842,840 sf positive absorption but year end was 76,708 sf negative absorption. The overall vacancy rate for the market stands at 4.9% and multi-tenant vacancy dropped to 7.8% for Q4 2020. The average asking lease low rate was \$6.07 and high rate was \$9.70 NNN for Mpls-St Paul. To date, there are 13 construction projects throughout the market totaling 1.9 msf and 28 properties were delivered 2020 with 3.68 msf.

Market Highlights

At the close of Q4 2020, the market experienced over 2.68 msf of leasing activity in 229 transactions with Crown leasing the largest space of 160,000 sf in the Southwest market. The Northeast market vacancy rate being the tightest at 4.1% while the Southwest market topped at 6.5%. The Southeast market had the top property spot in absorption with new delivery of Renewal by Anderson expansion of 350,000 sf. The Northeast market experienced the largest vacancy of Modern Tool with 180,000 sf. Eighty seven properties sold with over 4.5 msf for \$276 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	621	42,147,397	5,209,499	3,176,137	(68,954)	(140,270)	7.5%
Warehouse Distribution	504	91,237,399	7,108,614	4,143,977	1,178,677	1,973,194	4.5%
Warehouse Office	1,922	129,660,400	9,048,933	5,575,446	131,072	647,589	4.3%
Grand Total	3,047	263,045,196	21,367,046	12,895,560	1,240,795	2,480,513	4.9%

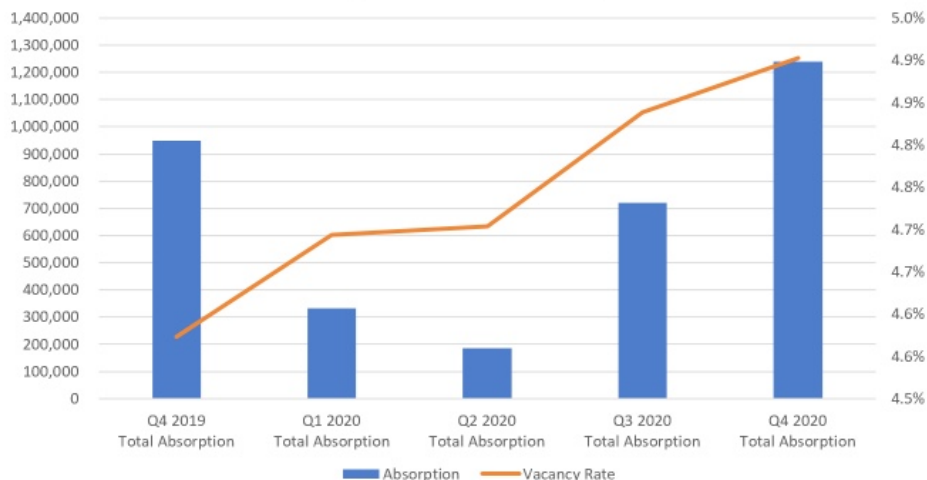
Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	621	42,147,397	4,806,691	2,928,819	1,251	(97,572)	6.9%
Warehouse Distribution	504	91,237,399	6,530,505	3,894,213	1,110,303	1,937,342	4.3%
Warehouse Office	1,922	129,660,400	8,264,000	5,309,526	100,392	728,748	4.1%
Grand Total	3,047	263,045,196	19,601,196	12,132,558	1,211,946	2,568,518	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	621	42,147,397	402,808	247,318	(70,205)	(42,698)	0.6%
Warehouse Distribution	504	91,237,399	578,109	249,764	68,374	35,852	0.3%
Warehouse Office	1,922	129,660,400	784,933	265,920	30,680	(81,159)	0.2%
Grand Total	3,047	263,045,196	1,765,850	763,002	28,849	(88,005)	0.3%

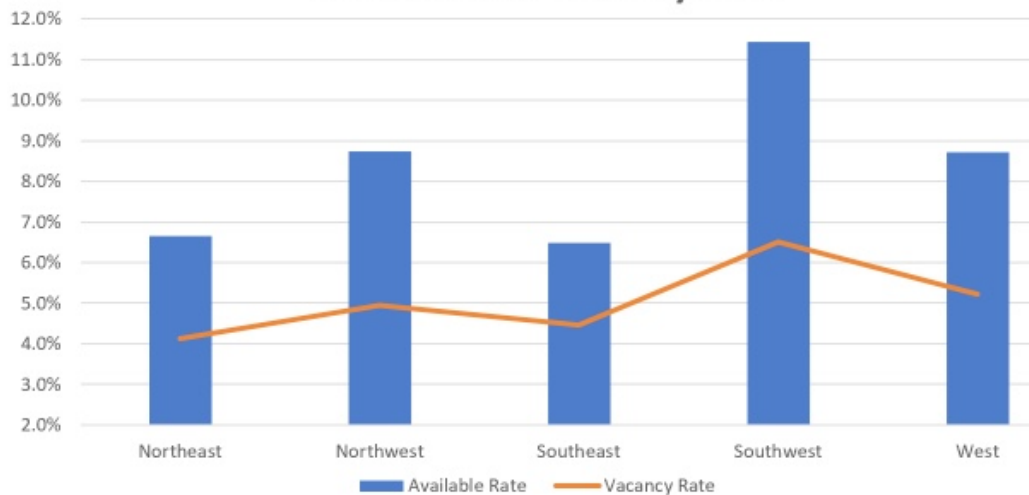
Absorption and Vacancy Rate



Market Statistics by Market (Multi and Single Tenant)

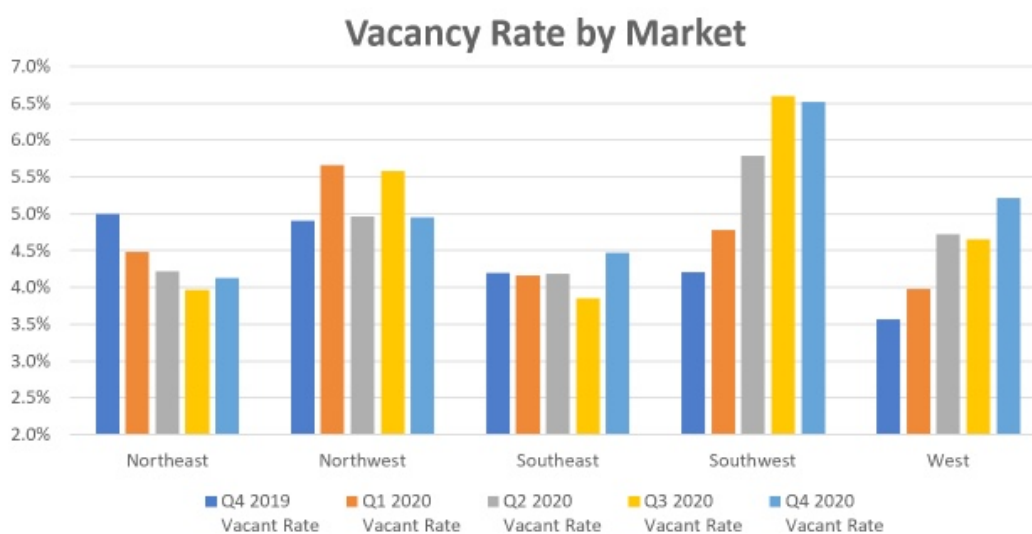
Market	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption	YTD Total Absorption (sf)	Vacancy Rate
Northeast	Flex/R&D	157	10,970,648	1,163,499	986,783	92,632	(18,514)	9.0%
	Warehouse Distribution	152	25,918,369	1,705,442	866,264	(41,524)	629,356	3.3%
	Warehouse Office	735	50,483,356	2,946,946	1,752,096	(134,180)	216,768	3.5%
	Subtotal	1,044	87,372,373	5,815,887	3,605,143	(83,072)	827,610	4.1%
Northwest	Flex/R&D	97	7,609,070	769,151	425,085	(2,812)	79,342	5.6%
	Warehouse Distribution	147	26,554,563	2,614,461	1,597,232	426,784	886,864	6.0%
	Warehouse Office	334	21,439,406	1,475,231	732,121	261,433	348,669	3.4%
	Subtotal	578	55,603,039	4,858,843	2,754,438	685,405	1,314,875	5.0%
Southeast	Flex/R&D	122	7,028,283	826,520	642,541	(167,358)	(117,528)	9.1%
	Warehouse Distribution	97	18,141,199	955,620	573,024	467,570	312,694	3.2%
	Warehouse Office	398	26,644,099	1,576,278	1,099,321	132,564	603,058	4.1%
	Subtotal	617	51,813,581	3,358,418	2,314,886	432,776	798,224	4.5%
Southwest	Flex/R&D	186	12,614,743	1,906,406	729,119	23,693	(50,149)	5.8%
	Warehouse Distribution	76	16,784,449	1,602,947	956,953	121,747	(88,150)	5.7%
	Warehouse Office	310	21,470,366	2,308,846	1,629,041	(104,446)	(300,170)	7.6%
	Subtotal	572	50,869,558	5,818,199	3,315,113	40,994	(438,469)	6.5%
West	Flex/R&D	59	3,924,653	543,923	392,609	(15,109)	(33,421)	10.0%
	Warehouse Distribution	32	3,838,819	230,144	150,504	204,100	232,430	3.9%
	Warehouse Office	145	9,623,173	741,632	362,867	(24,299)	(220,736)	3.8%
	Subtotal	236	17,386,645	1,515,699	905,980	164,692	(21,727)	5.2%
Grand Total		3,047	263,045,196	21,367,046	12,895,560	1,240,795	2,480,513	4.9%

Available and Vacancy Rate



Vacancy Rates by Market (Multi and Single Tenant)

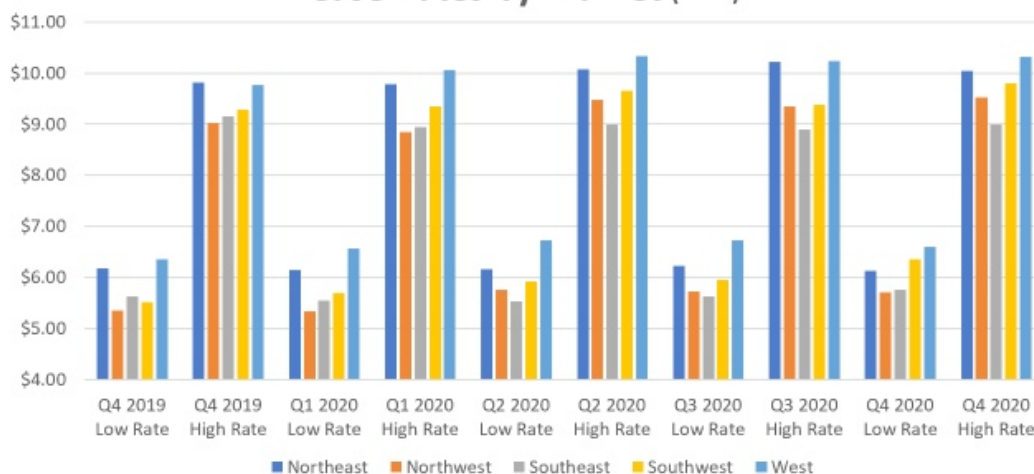
Market	Property Type	Q4 2019 Vacant Rate	Q1 2020 Vacant Rate	Q2 2020 Vacant Rate	Q3 2020 Vacant Rate	Q4 2020 Vacant Rate
Northeast	Flex/R&D	9.0%	8.5%	8.3%	9.8%	9.0%
	Warehouse Distribution	5.8%	4.9%	4.5%	3.2%	3.3%
	Warehouse Office	3.7%	3.4%	3.2%	3.1%	3.5%
	Subtotal	5.0%	4.5%	4.2%	4.0%	4.1%
Northwest	Flex/R&D	6.7%	6.2%	5.3%	5.5%	5.6%
	Warehouse Distribution	6.2%	7.6%	6.3%	6.9%	6.0%
	Warehouse Office	2.6%	3.1%	3.1%	3.9%	3.4%
	Subtotal	4.9%	5.7%	5.0%	5.6%	5.0%
Southeast	Flex/R&D	6.6%	6.0%	6.3%	6.8%	9.1%
	Warehouse Distribution	1.3%	2.2%	2.8%	3.1%	3.2%
	Warehouse Office	5.4%	5.0%	4.5%	3.6%	4.1%
	Subtotal	4.2%	4.2%	4.2%	3.9%	4.5%
Southwest	Flex/R&D	5.5%	5.7%	6.2%	6.1%	5.8%
	Warehouse Distribution	2.0%	1.7%	5.2%	6.4%	5.7%
	Warehouse Office	5.1%	6.6%	5.9%	7.0%	7.6%
	Subtotal	4.2%	4.8%	5.8%	6.6%	6.5%
West	Flex/R&D	9.1%	9.9%	9.7%	9.6%	10.0%
	Warehouse Distribution	3.0%	2.7%	2.7%	2.2%	3.9%
	Warehouse Office	1.5%	2.0%	3.5%	3.5%	3.8%
	Subtotal	3.6%	4.0%	4.7%	4.6%	5.2%
Grand Total	4.6%	4.7%	4.7%	4.8%	4.9%	



Lease Rates by Market (Multi and Single Tenant NNN)

Market	Property Type	Q4 2019		Q1 2020		Q2 2020		Q3 2020		Q4 2020	
		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	\$6.81	\$10.21	\$6.75	\$10.40	\$6.56	\$10.85	\$6.52	\$10.84	\$6.75	\$10.72
	Warehouse Distribution	\$5.46	\$9.73	\$5.48	\$10.13	\$5.51	\$10.29	\$5.61	\$10.36	\$5.61	\$10.36
	Warehouse Office	\$5.90	\$9.53	\$5.84	\$9.21	\$6.06	\$9.42	\$6.09	\$9.59	\$5.72	\$9.35
	Subtotal	\$6.18	\$9.82	\$6.14	\$9.79	\$6.17	\$10.08	\$6.22	\$10.22	\$6.14	\$10.04
Northwest	Flex/R&D	\$5.45	\$9.97	\$5.50	\$10.00	\$6.22	\$10.42	\$6.39	\$10.46	\$6.31	\$10.57
	Warehouse Distribution	\$4.95	\$8.45	\$4.98	\$8.32	\$5.27	\$9.10	\$5.32	\$9.26	\$5.41	\$9.15
	Warehouse Office	\$5.69	\$8.69	\$5.53	\$8.34	\$5.81	\$9.04	\$5.59	\$8.61	\$5.49	\$9.05
	Subtotal	\$5.36	\$9.02	\$5.34	\$8.84	\$5.77	\$9.48	\$5.73	\$9.35	\$5.70	\$9.53
Southeast	Flex/R&D	\$5.98	\$9.79	\$6.28	\$9.91	\$6.14	\$9.78	\$6.03	\$9.57	\$6.12	\$9.85
	Warehouse Distribution	\$5.15	\$9.30	\$5.07	\$9.54	\$5.07	\$9.05	\$5.01	\$8.68	\$5.08	\$8.49
	Warehouse Office	\$5.41	\$8.64	\$5.16	\$8.20	\$5.35	\$8.56	\$5.50	\$8.44	\$5.71	\$8.51
	Subtotal	\$5.62	\$9.15	\$5.55	\$8.95	\$5.53	\$9.00	\$5.63	\$8.89	\$5.76	\$9.00
Southwest	Flex/R&D	\$5.96	\$9.94	\$6.03	\$10.01	\$6.44	\$10.33	\$6.51	\$10.17	\$6.89	\$10.47
	Warehouse Distribution	\$5.08	\$9.08	\$5.05	\$9.51	\$4.91	\$9.52	\$4.74	\$8.24	\$4.96	\$8.28
	Warehouse Office	\$5.14	\$8.71	\$5.45	\$8.66	\$5.50	\$8.89	\$5.57	\$8.69	\$6.10	\$9.39
	Subtotal	\$5.51	\$9.29	\$5.69	\$9.35	\$5.91	\$9.66	\$5.96	\$9.38	\$6.36	\$9.80
West	Flex/R&D	\$7.29	\$11.19	\$6.34	\$10.84	\$6.59	\$10.94	\$6.53	\$11.18	\$6.43	\$11.35
	Warehouse Distribution	\$4.91	\$9.16	\$4.88	\$8.88	\$4.88	\$9.63	\$4.88	\$9.63	\$4.96	\$9.83
	Warehouse Office	\$6.51	\$9.15	\$7.49	\$9.69	\$7.46	\$9.81	\$7.56	\$9.34	\$7.50	\$9.76
	Subtotal	\$6.36	\$9.77	\$6.57	\$10.06	\$6.72	\$10.34	\$6.72	\$10.24	\$6.60	\$10.32
Grand Total		\$5.74	\$9.38	\$5.79	\$9.34	\$5.95	\$9.67	\$5.98	\$9.57	\$6.07	\$9.70

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	536	32,573,936	4,304,978	3,107,277	(57,131)	(182,645)	9.5%
Warehouse Distribution	279	46,973,798	6,448,284	3,956,697	500,541	158,380	8.4%
Warehouse Office	901	59,504,328	6,297,095	3,715,367	199,430	(52,443)	6.2%
Grand Total	1,716	139,052,062	17,050,357	10,779,341	642,840	(76,708)	7.8%

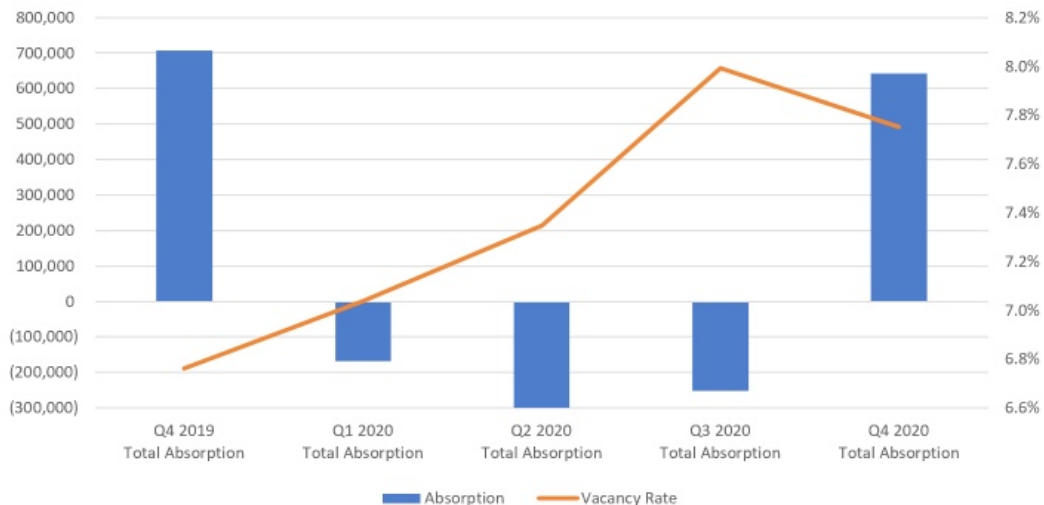
Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	536	32,573,936	3,969,561	2,912,470	13,074	(147,947)	8.9%
Warehouse Distribution	279	46,973,798	5,979,465	3,791,223	432,167	264,670	8.1%
Warehouse Office	901	59,504,328	5,569,456	3,449,447	169,615	55,629	5.8%
Grand Total	1,716	139,052,062	15,518,482	10,153,140	614,856	172,352	7.3%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	536	32,573,936	335,417	194,807	(70,205)	(34,698)	0.6%
Warehouse Distribution	279	46,973,798	468,819	165,474	68,374	(106,290)	0.4%
Warehouse Office	901	59,504,328	727,639	265,920	29,815	(108,072)	0.4%
Grand Total	1,716	139,052,062	1,531,875	626,201	27,984	(249,060)	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	134	9,526,066	1,108,007	962,434	104,455	5,835	10.1%
	Warehouse Distribution	65	9,912,999	1,615,632	776,454	(41,524)	148,586	7.8%
	Warehouse Office	322	22,860,946	1,858,119	1,144,273	61,587	225,865	5.0%
	Subtotal	521	42,300,011	4,581,758	2,883,161	124,518	380,286	6.8%
Northwest	Flex/R&D	79	4,874,870	769,151	425,085	(2,812)	79,342	8.7%
	Warehouse Distribution	93	16,668,046	2,468,745	1,550,122	473,894	312,066	9.3%
	Warehouse Office	150	9,254,437	999,968	444,024	105,433	(15,888)	4.8%
	Subtotal	322	30,797,353	4,237,864	2,419,231	576,515	375,520	7.9%
Southeast	Flex/R&D	109	5,901,808	782,009	598,030	(167,358)	(184,252)	10.1%
	Warehouse Distribution	53	7,773,077	688,460	522,664	17,324	(171,552)	6.7%
	Warehouse Office	177	11,096,095	963,842	652,823	63,359	162,073	5.9%
	Subtotal	339	24,770,980	2,434,311	1,773,517	(86,675)	(193,731)	7.2%
Southwest	Flex/R&D	160	8,795,493	1,101,888	729,119	23,693	(50,149)	8.3%
	Warehouse Distribution	47	9,976,932	1,445,303	956,953	121,747	(88,150)	9.6%
	Warehouse Office	183	11,874,390	1,957,068	1,136,980	(31,385)	(225,492)	9.6%
	Subtotal	390	30,646,815	4,504,259	2,823,052	114,055	(363,791)	9.2%
West	Flex/R&D	54	3,475,699	543,923	392,609	(15,109)	(33,421)	11.3%
	Warehouse Distribution	21	2,642,744	230,144	150,504	(70,900)	(42,570)	5.7%
	Warehouse Office	69	4,418,460	518,098	337,267	436	(199,001)	7.6%
	Subtotal	144	10,536,903	1,292,165	880,380	(85,573)	(274,992)	8.4%
Grand Total		1,716	139,052,062	17,050,357	10,779,341	642,840	(76,708)	7.8%

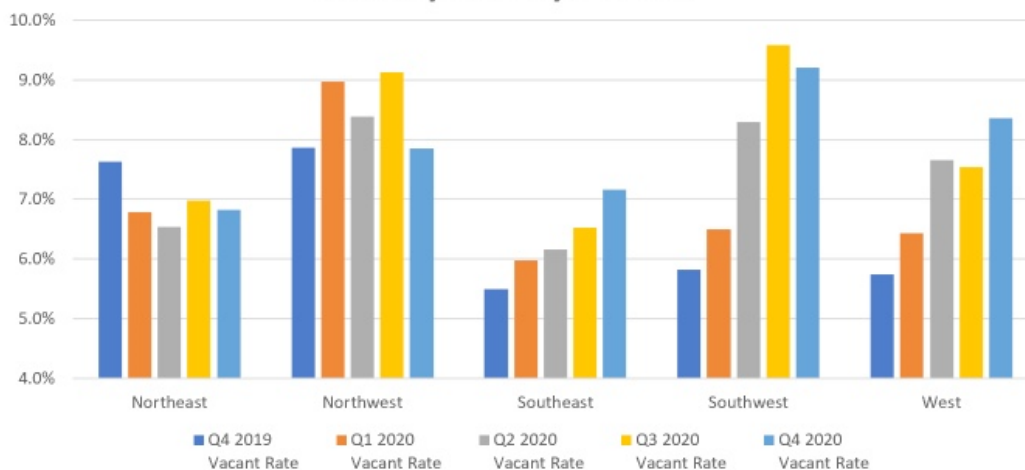
Available and Vacancy Rate



Vacancy Rates by Market (Multi-Tenant)

Market	Property Type	Q4 2019 Vacant Rate	Q1 2020 Vacant Rate	Q2 2020 Vacant Rate	Q3 2020 Vacant Rate	Q4 2020 Vacant Rate
Northeast	Flex/R&D	10.3%	9.7%	9.4%	11.2%	10.1%
	Warehouse Distribution	9.4%	7.0%	6.8%	7.4%	7.8%
	Warehouse Office	5.7%	5.5%	5.2%	5.0%	5.0%
	Subtotal	7.6%	6.8%	6.5%	7.0%	6.8%
Northwest	Flex/R&D	10.5%	9.7%	8.2%	8.7%	8.7%
	Warehouse Distribution	8.9%	11.2%	10.1%	11.1%	9.3%
	Warehouse Office	4.6%	4.6%	5.4%	6.0%	4.8%
	Subtotal	7.9%	9.0%	8.4%	9.1%	7.9%
Southeast	Flex/R&D	7.1%	6.3%	6.7%	7.3%	10.1%
	Warehouse Distribution	2.6%	4.5%	5.9%	6.9%	6.7%
	Warehouse Office	6.7%	6.8%	6.0%	5.8%	5.9%
	Subtotal	5.5%	6.0%	6.2%	6.5%	7.2%
Southwest	Flex/R&D	7.8%	8.0%	8.7%	8.6%	8.3%
	Warehouse Distribution	3.3%	3.0%	9.0%	10.8%	9.6%
	Warehouse Office	6.4%	8.2%	7.4%	9.3%	9.6%
	Subtotal	5.8%	6.5%	8.3%	9.6%	9.2%
West	Flex/R&D	10.3%	11.1%	10.9%	10.9%	11.3%
	Warehouse Distribution	4.1%	3.6%	3.6%	3.0%	5.7%
	Warehouse Office	3.1%	4.4%	7.5%	7.6%	7.6%
	Subtotal	5.7%	6.4%	7.7%	7.5%	8.4%
Grand Total	6.8%	7.0%	7.3%	8.0%	7.8%	

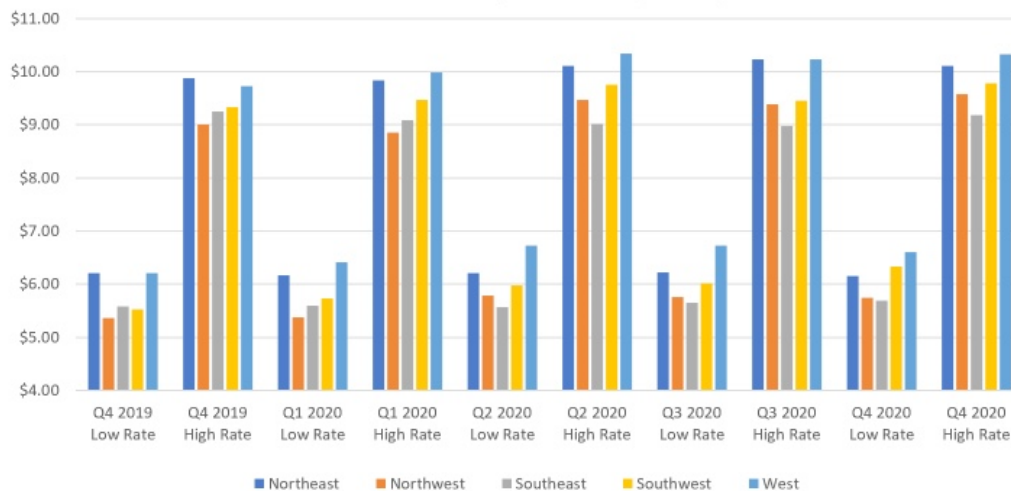
Vacancy Rate by Market



Lease Rates by Market (Multi-Tenant NNN)

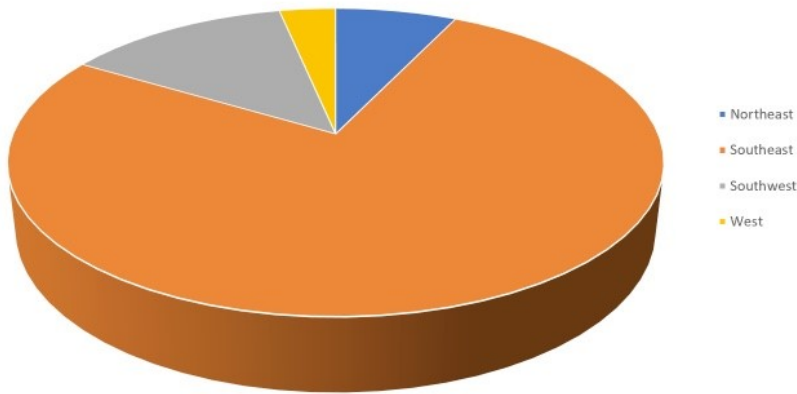
Market	Property Type	Q4 2019		Q1 2020		Q2 2020		Q3 2020		Q4 2020	
		Ave Lease Rate Low	Ave Lease Rate High	Ave Lease Rate Low	Ave Lease Rate High	Ave Lease Rate Low	Ave Lease Rate High	Ave Lease Rate Low	Ave Lease Rate High	Ave Lease Rate Low	Ave Lease Rate High
Northeast	Flex/R&D	\$6.81	\$10.21	\$6.75	\$10.40	\$6.56	\$10.85	\$6.52	\$10.84	\$6.79	\$10.86
	Warehouse Distribution	\$5.50	\$9.58	\$5.55	\$10.17	\$5.59	\$10.35	\$5.61	\$10.36	\$5.61	\$10.36
	Warehouse Office	\$5.88	\$9.65	\$5.85	\$9.24	\$6.07	\$9.39	\$6.07	\$9.54	\$5.69	\$9.32
	Subtotal	\$6.21	\$9.87	\$6.17	\$9.83	\$6.20	\$10.10	\$6.22	\$10.23	\$6.15	\$10.11
Northwest	Flex/R&D	\$5.45	\$9.97	\$5.50	\$10.00	\$6.22	\$10.42	\$6.39	\$10.46	\$6.31	\$10.57
	Warehouse Distribution	\$4.93	\$8.35	\$4.98	\$8.18	\$5.27	\$9.02	\$5.32	\$9.19	\$5.42	\$9.08
	Warehouse Office	\$5.73	\$8.69	\$5.61	\$8.41	\$5.85	\$9.03	\$5.64	\$8.70	\$5.56	\$9.16
	Subtotal	\$5.37	\$9.00	\$5.37	\$8.85	\$5.78	\$9.46	\$5.75	\$9.38	\$5.75	\$9.57
Southeast	Flex/R&D	\$5.98	\$9.79	\$6.28	\$9.91	\$6.14	\$9.78	\$6.03	\$9.57	\$5.90	\$9.78
	Warehouse Distribution	\$5.15	\$9.30	\$5.07	\$9.54	\$5.07	\$9.05	\$5.01	\$8.68	\$5.06	\$8.81
	Warehouse Office	\$5.27	\$8.73	\$5.18	\$8.36	\$5.40	\$8.50	\$5.53	\$8.57	\$5.73	\$8.82
	Subtotal	\$5.58	\$9.25	\$5.59	\$9.09	\$5.57	\$9.01	\$5.65	\$8.98	\$5.69	\$9.18
Southwest	Flex/R&D	\$5.96	\$9.94	\$6.03	\$10.01	\$6.45	\$10.33	\$6.53	\$10.16	\$6.77	\$10.39
	Warehouse Distribution	\$5.08	\$9.08	\$5.05	\$9.51	\$4.90	\$9.34	\$4.71	\$7.90	\$4.96	\$8.01
	Warehouse Office	\$5.16	\$8.76	\$5.53	\$8.88	\$5.59	\$9.13	\$5.66	\$8.92	\$6.16	\$9.49
	Subtotal	\$5.52	\$9.33	\$5.73	\$9.47	\$5.97	\$9.75	\$6.01	\$9.46	\$6.34	\$9.78
West	Flex/R&D	\$7.29	\$11.19	\$6.34	\$10.84	\$6.59	\$10.94	\$6.53	\$11.18	\$6.43	\$11.35
	Warehouse Distribution	\$4.91	\$9.16	\$4.88	\$8.88	\$4.88	\$9.63	\$4.88	\$9.63	\$4.96	\$9.83
	Warehouse Office	\$6.19	\$9.02	\$7.13	\$9.49	\$7.46	\$9.81	\$7.56	\$9.34	\$7.50	\$9.76
	Subtotal	\$6.21	\$9.73	\$6.41	\$9.99	\$6.72	\$10.34	\$6.72	\$10.24	\$6.60	\$10.32
Grand Total	\$5.73	\$9.41	\$5.81	\$9.41	\$5.99	\$9.70	\$6.01	\$9.62	\$6.07	\$9.76	

Lease Rates by Market (NNN)



New Developments by Market

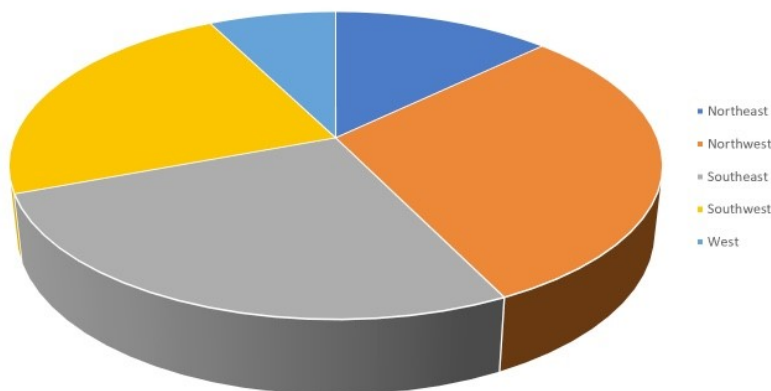
Under Construction SF



Market	Bldg SF
Northeast	141,000
Southeast	1,510,361
Southwest	260,100
West	65,440
Grand Total	1,976,901

YTD Deliveries by Market

YTD Delivered SF



Market	Bldg SF
Northeast	472,114
Northwest	1,101,435
Southeast	975,272
Southwest	856,596
West	275,000
Grand Total	3,680,417

Leasing Activity

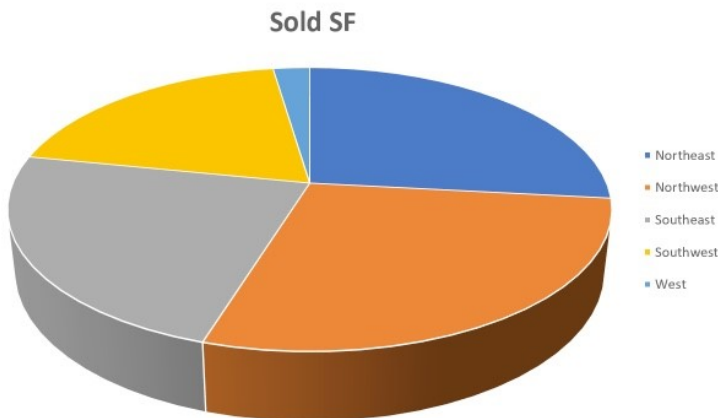
Property	Size (sf)	Market	Tenant	Landlord
4901-5101 Valley Ind Blvd S	160,000	Southwest	Crown	Valley Industrial Interstate LLC
2252 Quarry Ln	130,000	Southwest	Cherne	CIVF VI - MN1W03, LLC
451 Industrial Blvd	112,372	Northeast	Yardbird	AX TC Industrial III LP
580 Opperman Dr	106,789	Southeast	Safe Fleet	CBRE Global Investors
7351-7401 Boone Ave N	90,000	Northwest	HOM Furniture	G&I IX Boone Avenue LLC



Market	Leased SF
Northeast	647,408
Northwest	485,246
Southeast	483,610
Southwest	956,074
West	111,388
Grand Total	2,683,726

Sales Activity

Property	Price	Market	Buyer	Seller
BIX Produce 3060 Centerville Rd	\$34,000,000	Northeast	Sale-Leafback (MN), LLC c/o WP Carey	Bix Real Estate Holdings
Dodd Rd Business Center 580 Opperman Dr	\$21,980,000	Southeast	PRIM Dodd Road, LLC c/o CBRE Global Investors	Opus Development Company c/o Opus
Aldrin Distribution Center 980 Aldrin Dr	\$18,565,000	Southeast	Meritex 980 Aldrin, LLC c/o Meritex	980 Aldrin, LLC c/o Dart Transit
Highway 55 Dist Center 2841 Beverly Ln	\$14,260,000	Southeast	Meritex 2841 Beverly, LLC c/o Meritex	2841 Beverly Lane, LLC c/o Dart Transit
1315 Cope Ave E	\$13,700,000	Northeast	BSS Maplewood, LLC	PS Mid-West One, LLC



Market	Sold SF
Northeast	1,202,718
Northwest	1,263,635
Southeast	1,052,542
Southwest	876,871
West	105,266
Grand Total	4,501,032

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.

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