



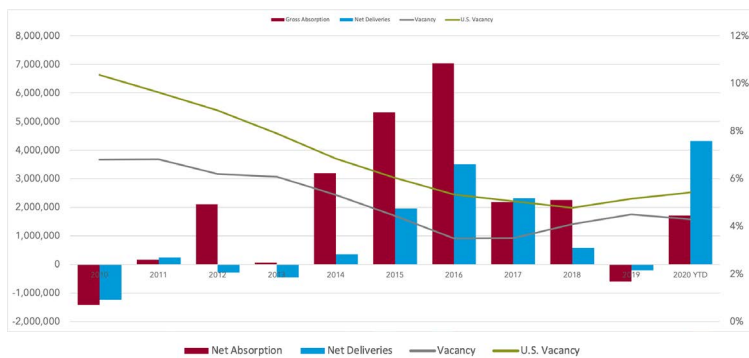
INDUSTRIAL MARKET OVERVIEW

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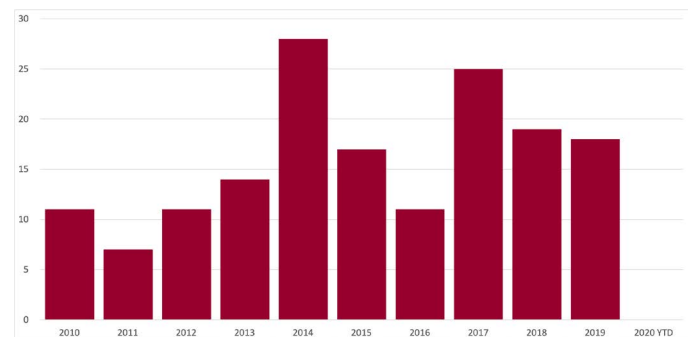
The industrial market experienced continued growth throughout 2019, as demand drove asking rents higher while vacancy remained low. Predictions for 2020 initially forecasted rental rates increasing 10% to 20%. With the onset of COVID-19, earlier predictions have been put off and up for debate. Tenants are working with Landlords on lease terms and rent relief as they are still obligated to pay and Landlords appearing receptive to struggling business owners. Construction seems to continue, though proposed developments are being reassessed. Capital market transactions in the red zone are likely or will cross the goal line, while others are withdrawing or becoming less bullish. The upcoming weeks will prove to be a better predictor for the market and the remainder of 2020.

MARKET INDICATORS	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
▼ Net Absorption	554,976 SF	622,456 SF	612,000 SF	829,298 SF	758,371 SF
◀▶ Vacancy Rate	4.30%	4.30%	4.80%	4.80%	4.40%
▲ Avg NNN Asking Rate	\$5.25/SF	\$5.20/SF	\$5.18/SF	\$5.18/SF	\$5.16/SF
▼ Under Construction	3,000,500 SF	3,591,719 SF	3,609,206 SF	2,400,546 SF	1,472,266 SF
▲ Inventory	336,445,433 SF	336,396,033 SF	335,480,294 SF	335,055,426 SF	334,630,558 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



STATISTICS ADJUSTED TO REPRESENT TWIN CITIES METRO FOR SINGLE AND MULTI-TENANT PROPERTIES ONLY

TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Multiple Addresses Minneapolis Metro, MN	2,534,813 SF	Undisclosed	Prologis Liberty Property	-
Multiple Addresses Minneapolis Metro, MN	558,000 SF	\$59,962,680 \$107.46/SF	Capital Partners CSM	-
22000 Industrial Blvd Rogers, MN	297,756 SF	\$17,750,000 \$59.61/SF	DG Industrial Sukkot	-

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3860 Pheasant Ridge Dr NE Blaine, MN	187,238 SF	CSM	Aveda	Cosmetics
8550 Zachary Lane N Maple Grove, MN	110,329 SF	Opus	AbelConn	Electronics
5520 State Hwy 169 New Hope, MN	107,348 SF	Stag	Parker Hydraulic	Hydraulic Equipment