



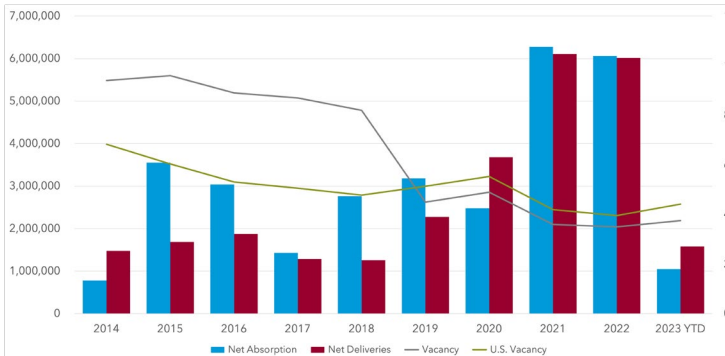
### INDUSTRIAL MARKET OVERVIEW

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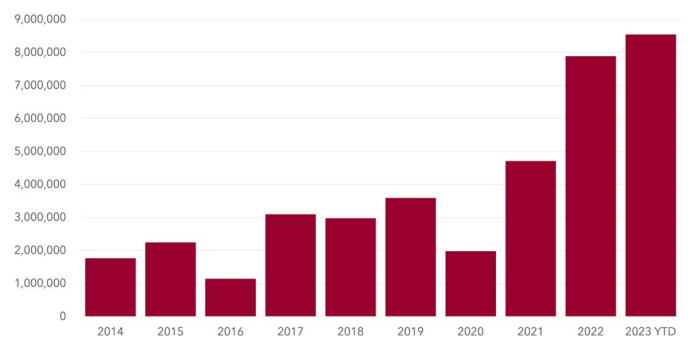
The industrial real estate market in the Twin Cities continues to show signs of stability, but with a slight increase in the vacancy rate from 3.5% to 3.75%. Despite this rise, demand for industrial properties remains high due to limited availability of options. Speculative developments are pulling back, with developers opting for build-to-suit projects. This cautious approach is likely due to the tightening supply and uncertainty in the market. Industrial real estate experts in the Minneapolis market should continue to monitor the situation closely for any further changes in demand and supply dynamics.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▼ 12 Mo. Net Absorption SF	1,050,741	1,210,144	2,189,981	2,300,277	2,641,201
▲ Vacancy Rate	3.75%	3.50%	3.30%	4.00%	3.90%
▲ Avg NNN Asking Rate PSF	\$7.57	\$7.30	\$7.37	\$6.73	\$6.73
▲ SF Under Construction	8,539,542	7,885,799	8,254,782	7,156,531	4,825,000
▲ Inventory SF	286,708,271	275,202,187	273,326,058	272,864,543	268,507,876

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
905 Yankee Doodle Road Eagan, MN	358,532 SF	\$25,000,000 \$69.73 PSF	Shafer Richardson Murphy Warehouse	Class B
7300 36th Avenue N New Hope, MN	175,555 SF	\$22,604,321 \$128.76 PSF	Spirit Realty LP Primo-Platto	Class B
3350 4th Avenue E Shakopee, MN	231,482 SF	\$18,900,000 \$81.65 PSF	Onward Investors AEW Capital	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Undisclosed Rosemount, MN	417,600 SF	Undisclosed	Home Depot	Home Improvement
12195 Brockton Lane Rogers, MN	154,000 SF	Endeavor	Victory Packaging	Packaging Company
Xylon Avenue N Brooklyn Park, MN	117,000 SF	Scannell	Frito-Lay	Snacks

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