



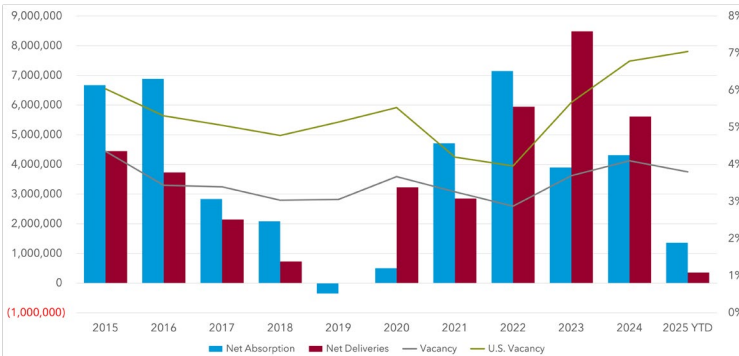
### INDUSTRIAL MARKET OVERVIEW

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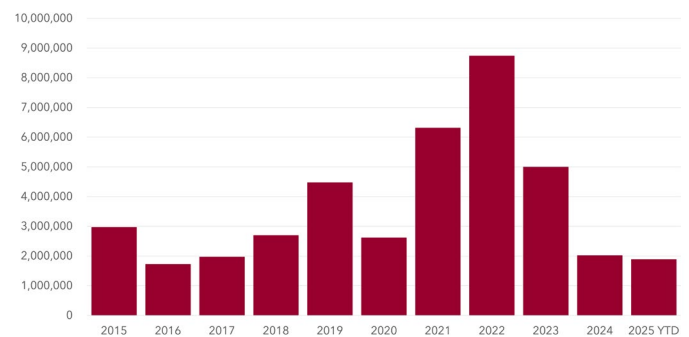
In Q1 2025, the Minneapolis-St. Paul industrial real estate market demonstrated robust health. Vacancy rates stabilized at a low 3.8%, driven by strong tenant demand and limited speculative construction. Average lease rates climbed to \$9.09 per square foot, a 6% year-over-year increase. Developers remained cautious, delivering just over 1,891,851 square feet of new space, down from 3.5 million square feet the previous year. Investor interest grew despite a challenging lending environment, particularly for properties with shorter lease terms or existing vacancies. Overall, the market is poised for continued stability and growth.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▼ 12 Mo. Net Absorption SF	3,626,111	4,707,857	5,300,000	3,433,142	3,392,586
▼ Vacancy Rate	3.8%	4.2%	4.1%	4.3%	4.0%
▼ Avg NNN Asking Rate PSF	\$9.09	\$9.14	\$8.40	\$8.83	\$8.59
▲ Sale Price PSF	\$96	\$95	\$91	-	-
▼ Cap Rate	8.80%	8.91%	9.10%	-	-
▲ Under Construction SF	1,891,851	1,600,000	1,400,000	1,500,000	3,545,177
▲ Inventory SF	432,346,517	432,000,000	431,640,830	429,328,702	425,432,054

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
9001 N. Wyoming Avenue Brooklyn Park, MN	382,635 SF	\$32,000,000 \$83.63 PSF	Capital Partners Brooklyn Park Per LLC	Class A
755 Industrial Boulevard Minneapolis, MN	182,000 SF	\$26,500,000 \$145.60 PSF	Met Council JJ Taylor Companies	Class A
500-600 30th Avenue NE Minneapolis, MN	124,060 SF	\$9,930,000 \$80.03 PSF	Sam Nutrition Koch Companies	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
11500 Lawdale Lane Dayton, MN	503,440 SF	Clayco	States Manufacturing	Fabrication
18150 County Road 81 Dayton, MN	334,750 SF	Hillwood	National Distribution Centers	Warehousing
7701 100th Street S Cottage Grove, MN	245,949 SF	Northpoint	Lumbermen's	Retailer

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