



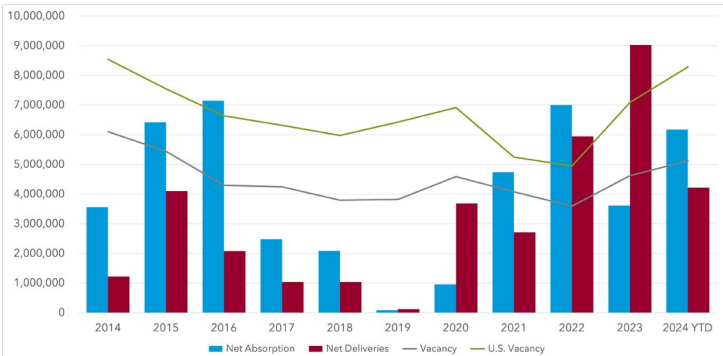
### INDUSTRIAL MARKET OVERVIEW

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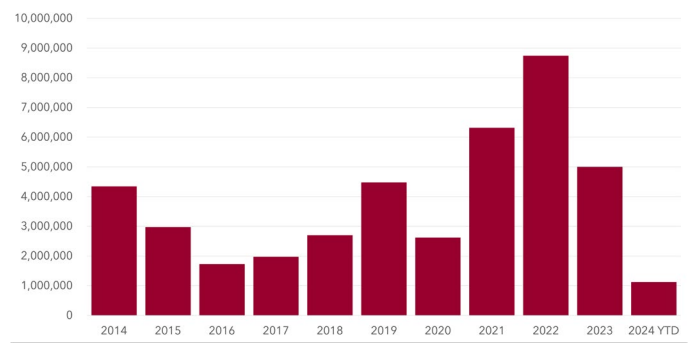
The Minneapolis industrial real estate market in Q3 2024 remains strong, driven by steady demand for logistics and warehousing space. Vacancy rates are low, hovering around 3-4%, as businesses seek to secure properties amid limited availability. Rental rates continue to rise, reflecting high competition for quality assets. New construction has ramped up, particularly in the suburbs, to meet demand. However, supply chain issues and rising construction costs are impacting project timelines. E-commerce growth, coupled with the need for last-mile delivery hubs, is fueling activity. Investors are keen on industrial assets, seeing strong long-term returns in the sector despite rising interest rates. Overall, the market outlook remains positive through the end of 2024.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▲ 12 Mo. Net Absorption SF	5,300,000	3,433,142	3,392,586	3,615,180	3,678,457
▼ Vacancy Rate	4.1%	4.3%	4.0%	3.7%	3.5%
▼ Avg NNN Asking Rate PSF	\$8.40	\$8.83	\$8.59	\$8.55	\$8.25
◀ ▶ Sale Price PSF	\$91.00	-	-	-	-
◀ ▶ Cap Rate	9.10%	-	-	-	-
▲ Under Construction SF	1,173,523	1,124,108	3,545,177	5,746,183	8,620,615
▲ Inventory SF	431,640,830	429,328,702	425,432,054	422,448,005	418,471,655

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6870 21st Avenue S Lino Lakes, MN	402,522 SF	\$28,900,000 \$71.80 /SF	Onward Investors Artis REIT	Class A
905 Yankee Doodle Road Eagan, MN	358,532 SF	\$25,000,000 \$69.73 PSF	SRRT LLC Murphy Logistics	Class C
12195 N. Brockton Lane Maple Grove, MN	263,775 SF	\$28,500,000 \$108.05 PSF	MDH Partners Endeavor Development	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
18150 County Road 81 Dayton, MN	334,750 SF	Inland/ Hillwood	NFI	Supply Chain
13225 Brockton Lane N Rogers, MN	227,054 SF	Link	Heliene Home	Solar
3500 Broadway Street N Minneapolis, MN	182,000 SF	AICAT Industrial LLC	KO Storage	Self Storage

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