

1Q22 CLASS A WAREHOUSE MARKET OVERVIEW | MINNEAPOLIS-ST. PAUL, MN

In the first quarter of 2022, the Minneapolis-St. Paul Class A warehouse market continued its historic run. New deliveries YTD approach 900 KSF; the development pipeline now measures 5.1 MSF. Despite increasing costs, construction has outpaced absorption this year which will increase vacancy for the first time in five years. Average net rent has been consistently increasing as the institutional-grade product continues to drive the market.

**SIZE AND DEMOGRAPHICS**

**58.5 MSF**  
Class A Inventory  
(21.9% of Total Minn.-St. Paul Industrial Market)


**3.7 million**  
Metro Population  
(4.5% 5-Year Growth)

**11.7 million**  
Population within 250 miles

**LOGISTICS INFRASTRUCTURE**

 Access to 4 Class 1 railroads

 Strategic location on I-94 and I-35

 Within 2 hours of Port of Duluth-Superior

 MSP International Airport

**LABOR/ECONOMIC CONDITIONS**

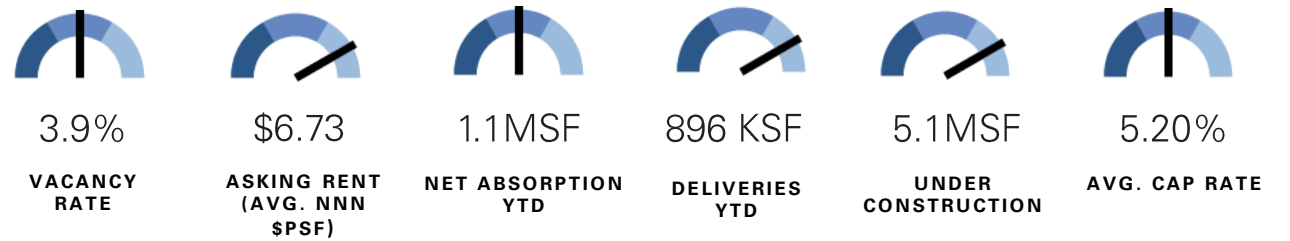
**94,392**  
Warehousing labor force, Minn.-St. Paul MSA

**\$39,900**  
Average Annual Wages, Warehousing Occupations

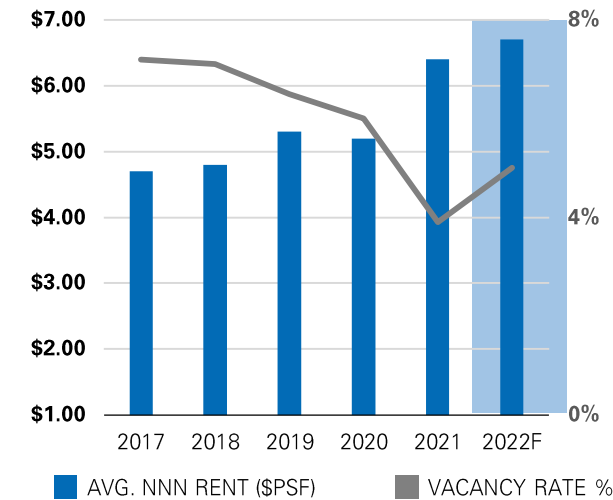
**0.9**  
Location Quotient, Warehousing Occupations

**Fundamentals and Trends**

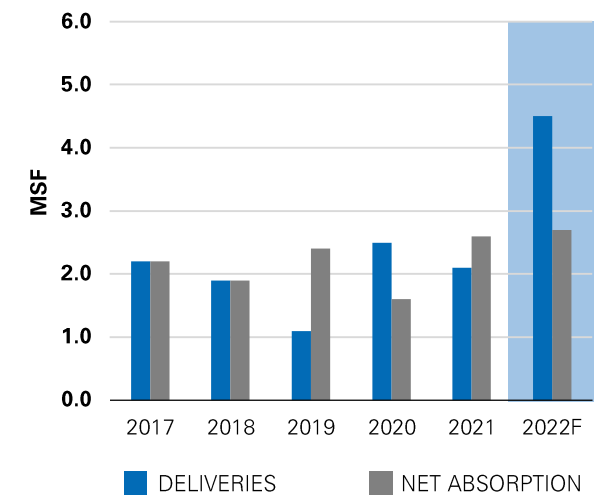
1Q22 SNAPSHOT AND 12 MONTH FORECAST





**RENT VS. VACANCY**



**DELIVERIES & NET ABSORPTION**



**Active in Market**

OCCUPIERS/INDUSTRIES	DEVELOPERS	INVESTORS
 E-Commerce	Scannell Properties	Link Logistics
 Logistics/3PLs	United Properties	Nicola Wealth

"The Minneapolis-St Paul market continues to push into new frontiers, which has caused increased offering rates from landlords and the highest new construction starts in this market in the past 20 years" **Brian Netz, Senior Managing Director, Minneapolis-St. Paul**