



Accelerating success.

MINNEAPOLIS | ST. PAUL

A globally competitive place to
invest, do business and live.





With a population of 414,000 people, **Minneapolis** is the largest city in Minnesota and acts as the commercial business driver of the region.



A ROBUST ECONOMY

Consistently ranked as one of the world’s best places to do business, our thriving economy is built on a strong foundation of well-respected companies and a highly-educated workforce.

Referred to as the Twin Cities, Minneapolis-St. Paul is the country’s 16th largest metropolitan area and the 13th largest by GDP. Approximately 65% (3.6 million) of the state’s population resides in the 13-county metro area. 2017 was the first year since 2001 in which more people moved into Minnesota than those moving out of state. In addition to being the cultural center of the state (second only to New York City in live theatre per capita), the Twin Cities is instrumental in driving the state’s economy as well. The MSP metro added 43,000 residents between 2016-2017.

Areas within the Twin Cities region offer different strengths that support the regional economy. Industry clusters provide a large share of jobs in the metro and give the state a competitive advantage in the U.S. and global economy.

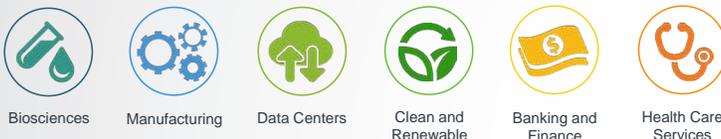
- 1st** among the 30 largest metros in Fortune 500 companies per 1 million people.
- 2nd** in labor force participation.
- 3rd** in number of Fortune 500 company headquarters per 1 million people.
- 3rd** nationwide in S&P 500 companies per 1 million people.



In 2017, households in Minneapolis-St. Paul had the **sixth highest** median household income in the U.S.



In 2017, the Minneapolis-St. Paul household income was **18%** higher than the U.S. average.



Minnesota represents a diverse economic landscape with strong core industries. We have an exceptional base of talent and expertise - not to mention a long record of success - in several key industries and sectors.



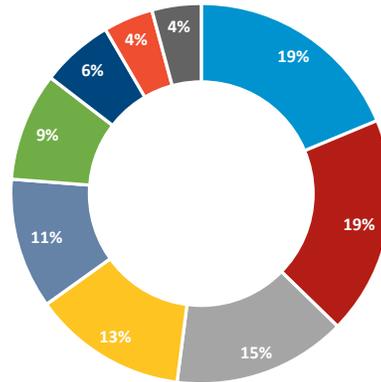
SETTING THE PACE >>

Minneapolis is growing almost five times faster than Chicago, according to the U.S. Census. “The key difference is that Minneapolis has maintained a strong economy, far outpacing Chicago and other cities throughout the nation.

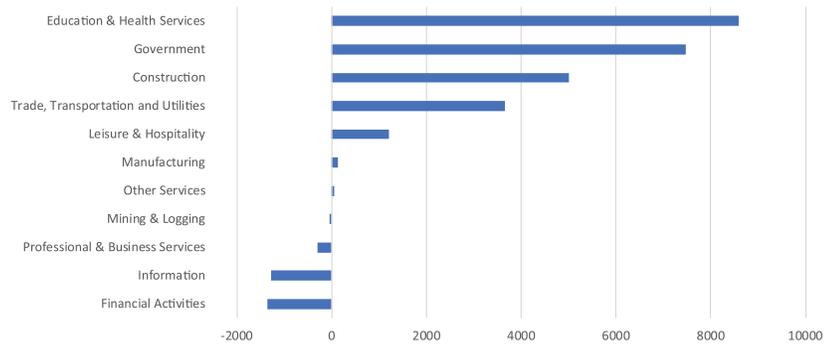
(The Chicago Metropolitan Planning Council)

EMPLOYMENT

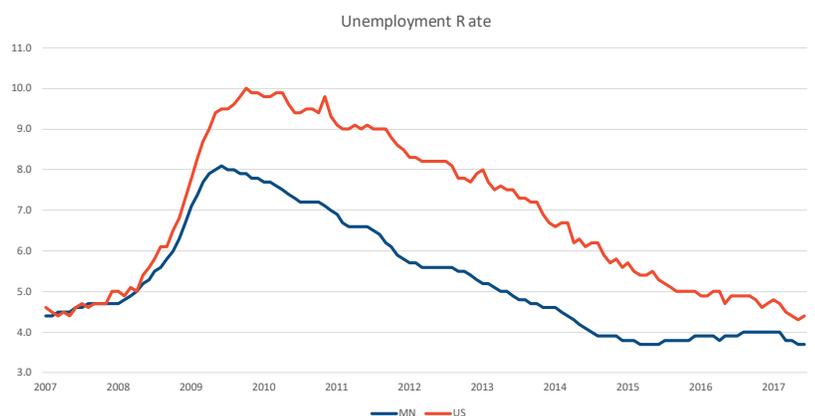
Employment by Sector



Job Growth by Sector

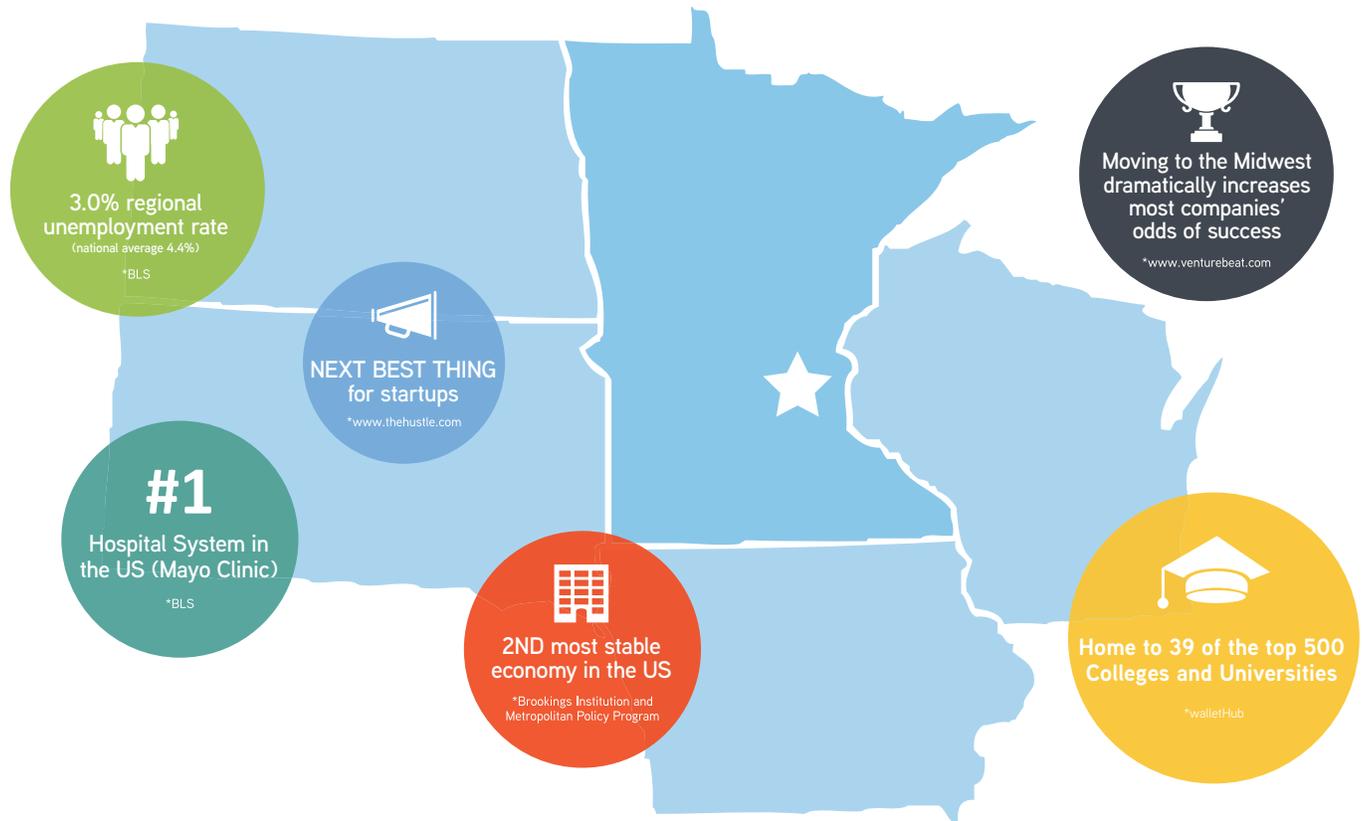


Unemployment Rates: MN vs. U.S.



THE TWIN CITIES INFLUENCE AS CENTER OF THE MIDWEST

America's heartland, the upper midwest region of the U.S. offers a strong economy, affordable cities and some of the lowest unemployment rates in the nation. The midwest is considered a prime opportunity for outside business investment.

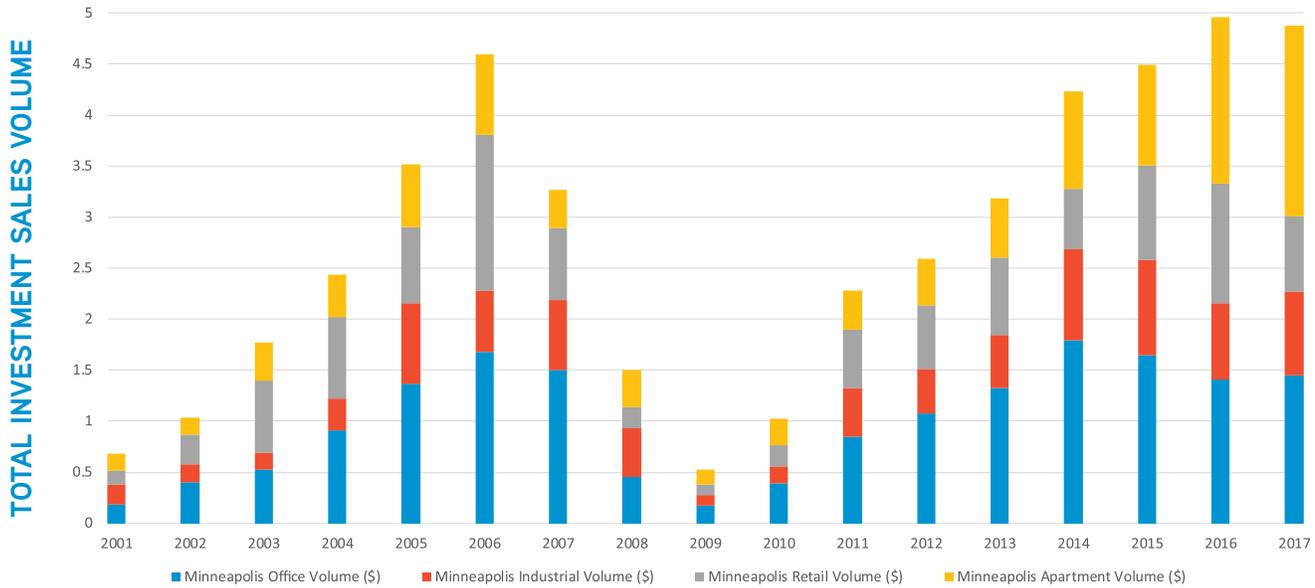


Upper Midwest: How We Stack Up

	US	MN	SD	ND	IA	WI
EDUCATION ATTAINMENT	87.0%	92.6%	91.2%	92%	91.7%	91.4%
UNEMPLOYMENT RATES	4.1%	3.2%	3.4%	2.6%	2.9%	2.9%
MEAN TRAVEL TO WORK (MINUTES)	26.1	23.2	16.9	17.3	18.9	21.9
MEDIAN HOUSEHOLD INCOME	\$55,322	\$63,217	\$52,078	\$59,114	\$54,570	\$54,610

* As of February 2018

UNDERSTANDING THE MARKET



Product Definitions

OFFICE

Office Class A

Most prestigious buildings competing for premier office users. Buildings will have high quality standard finishes, good access and a definite market presence. Common area and tenant amenities are becoming standards as well.

Office Class B

Buildings competing for a wide range of users with rents in the average for the area. Finishes will be good and adequate for the area. Additional building amenities most likely do not exist.

Office Class C

Buildings competition for tenants requiring functional space at rents below the average of the area. Buildings may have some functional obstacles.

Creative/ Loft

Old industrial or retail buildings converted for office usage. This can include new construction. Usually have ceiling heights in excess of ten feet with exposed ducting and piping.

INDUSTRIAL

Bulk Warehouse

Industrial building used primarily for warehousing and distribution needs. Clear height in excess of 24' with minimal office build out and one or more loading doors per 10,000 square feet.

Office Warehouse

Industrial building that can be used for manufacturing or light industrial uses. Clear heights range between 18'-24' and usually has an office build out of under 15%.

Office Showroom

Industrial building usually under 100,000 square feet that has a clear height under 18' and an office build out of 30% or more.

RETAIL

Regional Center

500,000 square foot + multi-tenant mall. Often enclosed, inward oriented stores with multiple anchors with common walkways.

Outlet Mall

50,000-400,000 square foot multi-tenant manufacturer stores. Strip configuration or village cluster.

Neighborhood Center

30,000-150,000 square foot multi-tenant center. Will be configured as a straight line strip with no included walkway. Often anchored by supermarket or drugstore.

Community Center

100,000-350,000 square foot center. Usually configured in a straight line strip, L or U shaped. Common tenants include apparel, home improvement, furnishings, toys, electronics and sporting goods.

Power Center

40,000-300,000 square feet multi-tenant retail center, and 50% or more of the tenants are big box retailers.

THRIVING BUSINESS ENVIRONMENT

The thriving Minneapolis-St. Paul business community makes it a hub for some of the world's largest and most well-known companies in the world. Many of these companies have had deep roots in the Twin Cities community for many years. They're leaders in innovation, sustainability, leadership and brand values, and they call Minnesota home because of their continued success.

A NATIONALLY-RECOGNIZED PLACE TO DO BUSINESS:

- › There are 17 Fortune 500 companies based in Minnesota - the most concentrated cluster in the United States.
- › Minnesota reached #1 on the Gallup Job Creation Index in 2016 and remains 5th in 2017.
- › Minneapolis-St. Paul ranks #5 for STEM professionals in metropolitan areas in 2018.
- › As of 2018, Minnesota was ranked the #1 state for working women by WalletHub, with Rochester ranking as the #1 city for working women by SmartAsset.
- › Minneapolis was ranked as the 2nd best city for starting a career in 2017 and 3rd best for startup companies in 2018.
- › The cost of doing business in the Twin Cities ranks 3.5% above the national average, according to Forbes.
- › Minnesota business services firms feel positive about the economy, with more than 80% expecting revenue and profits to increase or remain stable this year, according to a 2017 joint survey by DEED and the Federal Reserve Bank of Minneapolis.
- › Cited by DEED, Minnesota's business taxes are very competitive and give companies a distinct advantage when it comes to the cost of doing business.
- › Several of the nation's most innovative medical device companies have a significant presence in Minnesota.



FORTUNE 500 AND TOP COMPANIES BASED IN MINNESOTA >>





EDUCATED WORKFORCE

The Twin Cities' strong education system creates a highly-educated workforce – one of the most educated in the country. Over 8,500 business, management and marketing students receive bachelor's degrees or higher every year in the Twin Cities.

A strong network of 34 colleges and universities are located in the metro. The wide range of education options includes globally and nationally-ranked major research universities to world-class liberal arts colleges to trade and community colleges.

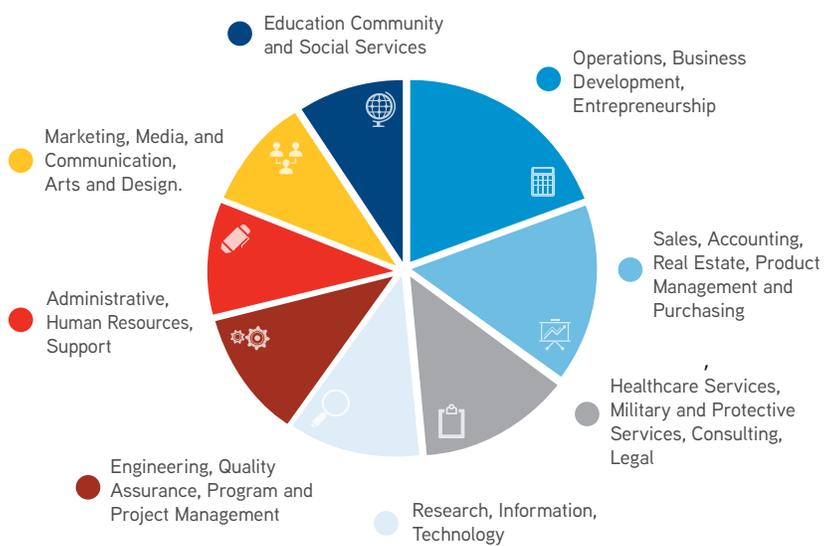
As one of the fastest growing tech hubs in the United States, many local graduates are staying in the Twin Cities because of the vast technology and engineering opportunities. Additionally, the state's medical technology industry has grown exponentially over the past five years, employing well over 167,000 people.

The Twin Cities takes the importance of learning very seriously. Excellence in academics begins early on and continues through the post-graduate level. Businesses in the Twin Cities metro continue to take advantage of a top-tier workforce that is hard working, highly-educated and innovative due to the strong education systems.

ACADEMIC EXCELLENCE >>

- > WalletHub ranked Minnesota as the 8th most educated state in 2018.
- > USA Today named Minneapolis the 3rd most literate city in the nation in 2017, and St. Paul came in 9th.
- > Minnesota has 15 colleges and universities ranked in Forbes' 2016 Top 500 colleges.

Top occupational groups of college grads in greater MSP



INFRASTRUCTURE

MSP International Airport



MSP International Airport ranks as the 7th best domestic airport according to Travel & Leisure's 2017 report. Over 38 million passengers per year are served at MSP International making the airport the 16th busiest in the United States. MSP International offers 155 nonstop flights and reaches 128 domestic markets and 27 international markets. Delta Airlines provides as the leading server in MSP International Airport followed by American Airlines and United Airlines. Airports Council International ranked MSP as the best airport in North America in 2018. The MSP airport boosts the Minneapolis-St. Paul economy, providing 86,900 jobs.

Mass Transit



The mass transit system in the Twin Cities metro continues to expand under the Metropolitan Council. Metro transit consists of 133 buses, two light rails, one commuter rail and one bus rapid transit. There are 66 local bus routes and 51 express routes that serve 230,575 commuters weekly. The metro light rail is another primary form of public transportation built in a color-coded system. There are 31,500 daily riders on the Blue Line, which starts in downtown Minneapolis and extends south to the airport and ends at the Mall of America. The Metro Green Line serves 40,500 daily riders, located in downtown Minneapolis traveling east through Midway and into downtown St. Paul. The Southwest light rail project, currently in a project development phase, will extend the Green Line to Eden Prairie. Construction is scheduled to take place in 2018 and start passenger service in 2020.

Highway Access



The Twin Cities transportation network consists of a traditional hub-and-spoke systems with the cities of Minneapolis and St. Paul acting as central hubs. The Twin Cities beltway includes the I-494 and I-694 corridor, which is roughly 5-10 miles away from either Minneapolis or St Paul's Central Business District. I-35, which runs north to south, splits into two separate interstates outside the beltway. In addition, I-94 travels east to west through the beltway and along both downtown districts. On average, the beltway has a daily traffic count of 100,000 to 150,000, depending on the location.



CONNECTED >>

CNBC rated Minneapolis-St. Paul's infrastructure as the 5th best among U.S. cities in 2010. Commuters in the Twin Cities enjoy a 23.2 minute drive, the 3rd shortest among major U.S. metropolitan areas.

OUTSTANDING PLACE TO LIVE

The Twin Cities is routinely recognized as providing among the highest quality of life in the nation—by Forbes, Business Facilities Magazine, Outdoors Magazine, C.Q. Press, CNN Money, BizJournals and Expansion Magazine. Just to name a few.



QUALITY OF LIFE

Ranked as the #1 fittest city in the U.S. by the American Fitness Index, Twin Cities residents embrace the outdoors during all four seasons. The metro area leads the country in health, fitness and recreation and was most recently named 2nd overall on Forbes' quality of life measurement in 2018. Minnesota ranks #1 for least stressed state according to WalletHub.



ARTS & ENTERTAINMENT

Minneapolis-St. Paul's strong arts and culture scene is vibrant and one of the state's best kept secrets. A wide variety of art museums, festivals, live music venues and award-winning restaurants keep Minneapolis-St. Paul's arts and culture scene thriving. USA Today cites the Twin Cities as one of the top theater destinations in the U.S.



TALENT

The strong business community in the Twin Cities attracts millennial talent from all over the world and was recently ranked as the 5th Best City for Millennials, according to Niche's 2017 ranking.



SPORTS

The Twin Cities metro is one of the only cities in the United States that is home to all six professional sports teams. The state-of-the-art facilities that house these teams are ranked as some of the best in the nation.



COST OF LIVING

Consistently named one of the best-value cities in America, the Twin Cities is affordable and features a lower than average cost of living. From the spirited urban downtowns to the tree-lined suburbs to the sprawling rural fields, there is something for everyone in the Twin Cities region.



PARKS & TRAILS

For five straight years, Minneapolis has been recognized as having the best park system of any city in the United States, according to The Trust for Public Land's national ParkScore index. St. Paul follows at a close 2nd. The Grand Rounds Scenic Byway offers 51 miles of paved trails showcasing parks, gardens, historical sites, beaches, golf courses and diverse neighborhoods.



SCHOOL SYSTEM

Minnesota ranked as the second best state to raise a family in 2017. The state's public school system ranks 7th by WalletHub, taking into account quality (test scores and dropout rates) and safety (student injuries and reports of bullying). The 2017 graduation rate of high school students in Minnesota was 83%. In 2015, the state set a goal to increase high school graduation rates to 90% in all districts with no student groups to fall below 85%.



A METRO IN GROWTH MODE >>

Multi-tenant and office reposition, bulk warehouse Industrial, grocery, free-standing pad sites and new housing drive construction in new suburban and urban developments.

NOTABLE DEVELOPMENTS

Office

New office construction has increased significantly in the past year. While previously, almost all office construction was single-tenant or corporate campus expansions, in the last year there have been several multi-tenant projects to break ground. The demand for new office product has been focused in dense, amenity rich areas like the Minneapolis CBD or the neighboring Uptown area in Minneapolis.

Industrial

Bulk warehouse space has been the primary driver in new industrial development. There has been a relatively even split between build-to-suit and speculative development over the past several years although the current development pipeline looks like more speculative development is ready to begin construction. The Northwest metro has been the construction leader for the last three plus years and is primed to continue that trend. There are a number of good land sites located relatively central in comparison to other submarkets that are ready for tenants to kick off projects.

Retail

Retail has been a strong component of recent new construction in the Twin Cities. One of the primary drivers in new retail construction continues to be grocery and free-standing pad sites. New to market tenants are adding additional demand to an already changing retail landscape. Some of the most active larger retail development areas have been Eagan and Woodbury, both of which fall into our Southeast submarket. Other active areas continue to be retail portions of urban mixed-use developments, small centers and outparcels and increasingly, box and junior box redevelopment.

Multi-family

Multi-family remains the most active product type in development throughout Minneapolis-St. Paul. Urban locations like Minneapolis CBD, Uptown in Minneapolis and St Paul CBD have been getting over half of the recent new multi-family construction. We are now seeing pent-up demand for suburban units change that construction ratio to majority suburban construction. Locations near retail and along transit lines are still premier sites, especially those that have built-in neighborhood amenities. With a new light rail line set to go under construction this year, linking the southwest suburbs to Minneapolis CBD, there continues to be major opportunities in the future.

OFFICE

Baker Center



OFFICE

MoZaic East



INDUSTRIAL

Northern Stacks



RETAIL

Hy Vee



MULTI-FAMILY

IndiGo Apartments



MULTI-FAMILY

Oxbo Urban Rentals



THE FUTURE IS BRIGHT

The Minneapolis-St. Paul metropolitan area stands to see extensive growth and change in the coming decades. Population is expected to grow by over 20% in the next 20 years. An additional 650,000 people will need places to live, shop, work and play.

DEVELOPMENT OPPORTUNITIES

Headlining growth opportunities in the metro area are redevelopment of the Ford site in St. Paul and the Rice Creek Commons redevelopment in Arden Hills. Both are 100+ acre sites located within the interstate loop. In planning stages, the developments are slated as the next large scale, mixed-use neighborhoods in the metro area.

CONNECTIVITY

One major attraction in the Twin Cities is the connectivity of private and public spaces to nature. Home to the best park system in the nation, the Minneapolis-St. Paul metro is continuing to make investments in urban natural spaces. Nicollet Mall, the main street of the Minneapolis CBD, is undergoing a massive reconstruction to make people and nature the focus of a downtown core. St. Paul has begun a decade-long project to reorientate the city and make the mighty Mississippi a center of attention. The project is called the River Balcony and is replacing the old sealed-off river bluffs into a High Line meets San Antonio River Walk experience. Phased construction has begun and developers from all over are showing interest.



IN THE PUBLIC EYE

Minneapolis has been ranked the 7th best place to visit in 2018. The Twin Cities are now on the map as a destination for national and international sporting and entertainment events. With the completion of the Vikings' U.S. Bank Stadium in Downtown Minneapolis, the venue and region steal the spotlight by hosting events such as Super Bowl LII and the X Games in 2018, and the NCAA Men's Final Four in 2019. The NCAA Men's and Women's Frozen Four will be played in St. Paul and Minneapolis, respectfully, in 2018 as well.

Major Events



2018



2018



2018



2018



2019



With a population of 302,000 people, **St. Paul** is the capitol of Minnesota, and acts as the civic hub of the state.

Local Expertise



Comprised of
76
Licensed CRE Agents



Leased in Metro Area
10.4M
(square feet)



Sold in Metro Area
22.0M
(square feet)



Years in Business
41



Sale Transactions
220



Lease Transactions
873

Global Reach



Comprised of
15,400
professionals



Revenue
\$2.7B
(US\$)



Managing
2B
(square feet)



Established in
69
countries



Lease/sale transactions
68,000



Transaction value
\$116B
(US\$)

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