

Market

# Trend

# Q2 2023

## Des Moines - Industrial



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# MARKET TRENDS

Q2 2023 | Des Moines | Industrial

## Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	373,107	
Area Unemployment	2.4	
U.S. Unemployment	3.6	
Industrial Jobs	23,600	

Source: BLS

\*Employment figures and area unemployment are based on Des Moines MSA data.

## Market Recap

### All Properties

Total Inventory (sf)	77,253,376
Total # of Bldgs (tracked)	1244
Total Absorption (sf)	305,669
Vacancy	4.7%
Asking Rate (FSG)	\$8.47
New Construction (sf)	1,848,072

### Multi-tenant Properties

Total Inventory (sf)	24,784,893
Total # of Bldgs (tracked)	413
Total Absorption (sf)	238,580
Vacancy	12.3%
Asking Rate (FSG)	\$9.03

## Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Des Moines metropolitan statistical area (MSA) increased 20 basis points to 2.4% for May 2023 from 2.2% for May 2022. The unemployment rate for the US was at 3.6% in June 2023 which is unchanged from last year. State of Iowa unemployment rate was 2.7%. The Des Moines MSA saw an increase in job growth and industrial job growth in manufacturing increased by 800 jobs compared to last year.

## Market Overview

The Des Moines industrial market consists of 77.2 msf of space in three counties across the metro. Overall there was 305,600 sf in positive absorption bringing YTD up to 443,000 sf positive absorption. Q2 2023 finished with a 4.7% vacancy rate. Multi-tenant properties totaled 238,000 sf positive absorption bringing YTD to 332,000 sf. This created a 12.3% vacancy rate for Q2 2023. There are currently 14 construction projects throughout the market with 1.8 msf. Nine properties were delivered YTD totaling 1.14 msf.

## Market Highlights

During Q2 2023, the market experienced over 162,500 sf of leasing activity in 21 transactions. The highest vacancy rate was 5.9% in the Des Moines Northeast market for all properties and 20.3% for multi-tenant properties. Des Moines West topped all markets with 253,600 sf positive absorption led by Factory Direct leasing 151,000 sf. Des Moines CBD was the only market with negative absorption of (2,800) sf. Eleven properties totaling 477,500 sf sold this quarter topping \$44,300,000.

# Market Statistics by Property Type (Multi and Single Tenant)

## Total

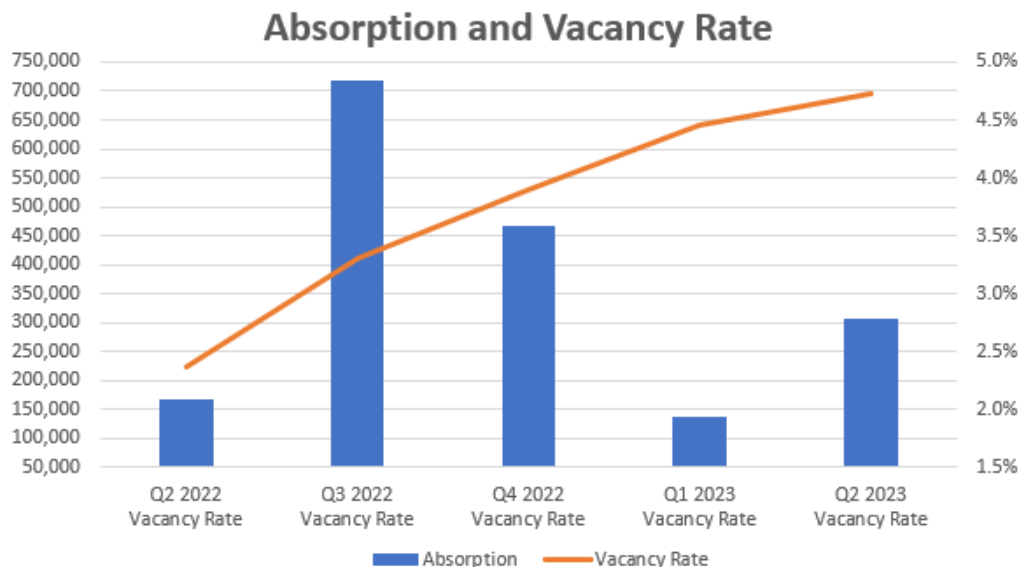
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	143	5,054,884	406,486	367,774	23,346	31,476	7.3%
Manufacturing	133	18,451,752	141,658	87,248	0	39,312	0.5%
Warehouse Distribution	241	34,527,249	2,710,714	2,549,362	235,140	349,881	7.4%
Warehouse Office	727	19,219,491	760,636	652,120	47,183	22,511	3.4%
<b>Grand Total</b>	<b>1,244</b>	<b>77,253,376</b>	<b>4,019,494</b>	<b>3,656,504</b>	<b>305,669</b>	<b>443,180</b>	<b>4.7%</b>

## Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	143	5,054,884	346,253	339,814	28,446	38,976	6.7%
Manufacturing	133	18,451,752	141,658	87,248	0	39,312	0.5%
Warehouse Distribution	241	34,527,249	2,657,714	2,443,362	235,140	349,881	7.1%
Warehouse Office	727	19,219,491	760,636	652,120	44,183	12,311	3.4%
<b>Grand Total</b>	<b>1,244</b>	<b>77,253,376</b>	<b>3,906,261</b>	<b>3,522,544</b>	<b>307,769</b>	<b>440,480</b>	<b>4.6%</b>

## Sublease

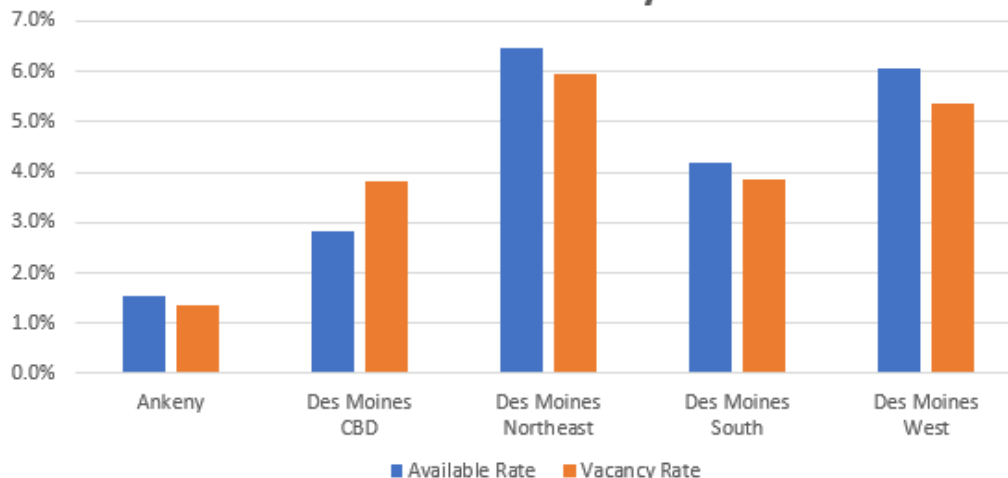
Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	143	5,054,884	60,233	27,960	(5,100)	(7,500)	0.6%
Manufacturing	133	18,451,752			0	0	0.0%
Warehouse Distribution	241	34,527,249	53,000	106,000	0	0	0.3%
Warehouse Office	727	19,219,491			3,000	10,200	0.0%
<b>Grand Total</b>	<b>1,244</b>	<b>77,253,376</b>	<b>113,233</b>	<b>133,960</b>	<b>(2,100)</b>	<b>2,700</b>	<b>0.2%</b>



# Market Statistics by Market (Multi and Single Tenant)

Market	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Ankeny	Flex/R&D	14	499,802	19,914	17,464	4,742	2,633	3.5%
	Manufacturing	13	5,267,983			0	0	0.0%
	Warehouse Distribution	36	6,100,556	157,900	157,900	0	200,494	2.6%
	Warehouse Office	67	1,906,624	32,981	11,701	11,850	9,324	0.6%
	<b>Subtotal</b>		<b>130</b>	<b>13,774,965</b>	<b>210,795</b>	<b>187,065</b>	<b>16,592</b>	<b>212,451</b>
Des Moines CBD	Flex/R&D	8	327,801	27,378	27,378	0	0	8.4%
	Manufacturing	6	295,778			0	0	0.0%
	Warehouse Distribution	3	134,389			0	0	0.0%
	Warehouse Office	28	684,875	13,354	27,966	(2,804)	(2,804)	4.1%
	<b>Subtotal</b>		<b>45</b>	<b>1,442,843</b>	<b>40,732</b>	<b>55,344</b>	<b>(2,804)</b>	<b>(2,804)</b>
Des Moines Northeast	Flex/R&D	21	491,334	11,800		19,750	16,050	0.0%
	Manufacturing	69	7,554,639	38,856		0	0	0.0%
	Warehouse Distribution	104	16,054,950	1,789,413	1,650,477	0	(39,990)	10.3%
	Warehouse Office	311	7,981,398	231,631	257,552	12,480	(16,168)	3.2%
	<b>Subtotal</b>		<b>505</b>	<b>32,082,321</b>	<b>2,071,700</b>	<b>1,908,029</b>	<b>32,230</b>	<b>(40,108)</b>
Des Moines South	Flex/R&D	10	471,020	27,098		0	0	0.0%
	Manufacturing	9	418,877	102,802	87,248	0	0	20.8%
	Warehouse Distribution	23	3,283,733	48,666	69,670	0	0	2.1%
	Warehouse Office	65	2,350,080	95,000	95,000	6,000	0	4.0%
	<b>Subtotal</b>		<b>107</b>	<b>6,523,710</b>	<b>273,566</b>	<b>251,918</b>	<b>6,000</b>	<b>0</b>
Des Moines West	Flex/R&D	90	3,264,927	320,296	322,932	(1,146)	12,793	9.9%
	Manufacturing	36	4,914,475			0	39,312	0.0%
	Warehouse Distribution	75	8,953,621	714,735	671,315	235,140	189,377	7.5%
	Warehouse Office	256	6,296,514	387,670	259,901	19,657	32,159	4.1%
	<b>Subtotal</b>		<b>457</b>	<b>23,429,537</b>	<b>1,422,701</b>	<b>1,254,148</b>	<b>253,651</b>	<b>273,641</b>
<b>Grand Total</b>		<b>1,244</b>	<b>77,253,376</b>	<b>4,019,494</b>	<b>3,656,504</b>	<b>305,669</b>	<b>443,180</b>	<b>4.7%</b>

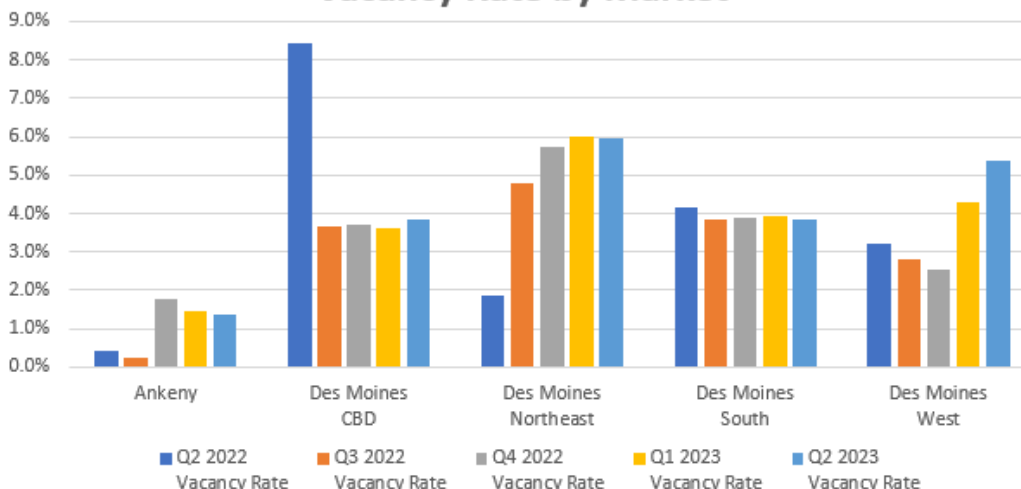
## Available and Vacancy Rates



# Vacancy Rates by Market (Multi and Single Tenant)

Market	Property Type	Q2 2022 Vacancy Rate	Q3 2022 Vacancy Rate	Q4 2022 Vacancy Rate	Q1 2023 Vacancy Rate	Q2 2023 Vacancy Rate
Ankeny	Flex/R&D	2.8%	3.0%	4.0%	4.4%	3.5%
	Manufacturing	0.1%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	0.0%	0.0%	3.4%	2.6%	2.6%
	Warehouse Office	2.1%	0.9%	1.1%	1.2%	0.6%
	<b>Subtotal</b>	<b>0.4%</b>	<b>0.2%</b>	<b>1.8%</b>	<b>1.5%</b>	<b>1.4%</b>
Des Moines CBD	Flex/R&D	10.0%	8.4%	8.4%	8.4%	8.4%
	Manufacturing	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	12.6%	3.7%	3.8%	3.7%	4.1%
	<b>Subtotal</b>	<b>8.4%</b>	<b>3.7%</b>	<b>3.7%</b>	<b>3.6%</b>	<b>3.8%</b>
Des Moines Northeast	Flex/R&D	4.5%	4.5%	3.3%	4.0%	0.0%
	Manufacturing	0.4%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	2.9%	8.6%	10.1%	10.4%	10.3%
	Warehouse Office	1.4%	2.1%	2.6%	3.0%	3.2%
	<b>Subtotal</b>	<b>1.9%</b>	<b>4.8%</b>	<b>5.8%</b>	<b>6.0%</b>	<b>5.9%</b>
Des Moines South	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	20.8%	20.8%	20.8%	20.8%	20.8%
	Warehouse Distribution	2.5%	2.1%	2.1%	2.1%	2.1%
	Warehouse Office	4.3%	4.0%	4.0%	4.3%	4.0%
	<b>Subtotal</b>	<b>4.1%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>4.0%</b>	<b>3.9%</b>
Des Moines West	Flex/R&D	14.6%	13.4%	9.5%	9.9%	9.9%
	Manufacturing	0.0%	0.0%	0.8%	0.0%	0.0%
	Warehouse Distribution	2.0%	1.4%	1.4%	5.1%	7.5%
	Warehouse Office	1.5%	1.4%	1.8%	3.8%	4.1%
	<b>Subtotal</b>	<b>3.2%</b>	<b>2.8%</b>	<b>2.6%</b>	<b>4.3%</b>	<b>5.4%</b>
<b>Grand Total</b>		<b>2.4%</b>	<b>3.3%</b>	<b>3.9%</b>	<b>4.5%</b>	<b>4.7%</b>

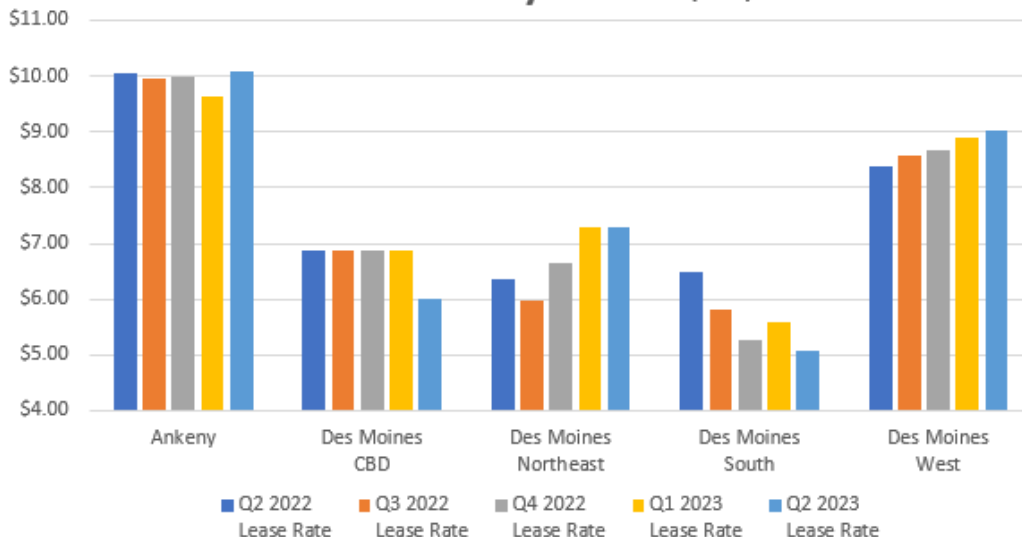
### Vacancy Rate by Market



# Lease Rates by Market (Multi and Single Tenant NNN)

Market	Property Type	Q2 2022 Lease Rate	Q3 2022 Lease Rate	Q4 2022 Lease Rate	Q1 2023 Lease Rate	Q2 2023 Lease Rate
Ankeny	Flex/R&D	\$10.92	\$10.50	\$10.71	\$10.06	\$10.19
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office	\$8.75	\$9.44	\$9.25	\$9.33	\$10.00
	<b>Subtotal</b>	<b>\$10.05</b>	<b>\$9.97</b>	<b>\$9.98</b>	<b>\$9.63</b>	<b>\$10.08</b>
Des Moines CBD	Flex/R&D					
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office	\$6.88	\$6.88	\$6.88	\$6.88	\$6.00
	<b>Subtotal</b>	<b>\$6.88</b>	<b>\$6.88</b>	<b>\$6.88</b>	<b>\$6.88</b>	<b>\$6.00</b>
Des Moines Northeast	Flex/R&D	\$5.75	\$5.75	\$8.00	\$10.75	\$10.75
	Manufacturing					\$8.50
	Warehouse Distribution	\$5.48	\$5.09	\$5.66	\$6.60	\$5.97
	Warehouse Office	\$7.30	\$6.90	\$7.10	\$7.19	\$7.70
	<b>Subtotal</b>	<b>\$6.34</b>	<b>\$5.98</b>	<b>\$6.64</b>	<b>\$7.28</b>	<b>\$7.29</b>
Des Moines South	Flex/R&D	\$7.50	\$7.50			
	Manufacturing	\$4.50	\$4.50	\$4.50	\$4.50	\$5.00
	Warehouse Distribution		\$5.25	\$5.25	\$5.25	\$5.25
	Warehouse Office	\$6.98	\$6.00	\$6.00	\$7.00	
	<b>Subtotal</b>	<b>\$6.49</b>	<b>\$5.81</b>	<b>\$5.25</b>	<b>\$5.58</b>	<b>\$5.08</b>
Des Moines West	Flex/R&D	\$9.17	\$9.12	\$8.99	\$9.14	\$9.51
	Manufacturing					
	Warehouse Distribution	\$5.90	\$6.15	\$7.17	\$7.75	\$7.50
	Warehouse Office	\$7.41	\$8.11	\$8.49	\$8.71	\$8.60
	<b>Subtotal</b>	<b>\$8.38</b>	<b>\$8.57</b>	<b>\$8.66</b>	<b>\$8.91</b>	<b>\$9.02</b>
<b>Grand Total</b>		<b>\$7.87</b>	<b>\$7.87</b>	<b>\$8.15</b>	<b>\$8.42</b>	<b>\$8.47</b>

Lease Rate by Market (NNN)



# Market Statistics by Property Type (Multi-Tenant)

## Total

Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	117	4,127,352	406,486	367,774	20,361	28,491	8.9%
Manufacturing	14	1,726,303			0	0	0.0%
Warehouse Distribution	85	12,961,222	2,201,822	2,239,406	235,140	329,871	17.3%
Warehouse Office	197	5,970,016	431,214	435,268	(16,921)	(25,994)	7.3%
<b>Grand Total</b>	<b>413</b>	<b>24,784,893</b>	<b>3,039,522</b>	<b>3,042,448</b>	<b>238,580</b>	<b>332,368</b>	<b>12.3%</b>

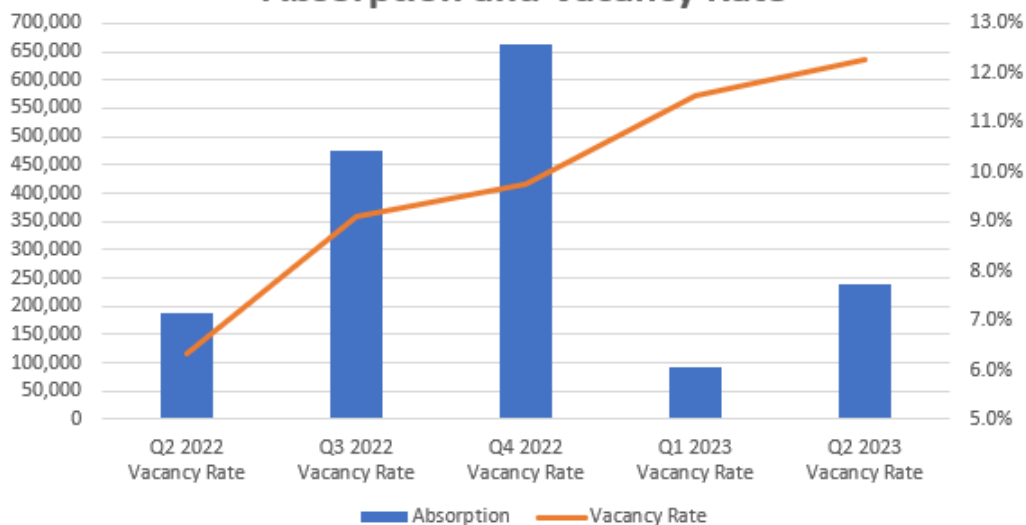
## Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	117	4,127,352	346,253	339,814	25,461	35,991	8.2%
Manufacturing	14	1,726,303			0	0	0.0%
Warehouse Distribution	85	12,961,222	2,150,822	2,213,406	235,140	329,871	17.1%
Warehouse Office	197	5,970,016	431,214	435,268	(19,921)	(36,194)	7.3%
<b>Grand Total</b>	<b>413</b>	<b>24,784,893</b>	<b>2,928,289</b>	<b>2,988,488</b>	<b>240,680</b>	<b>329,668</b>	<b>12.1%</b>

## Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	117	4,127,352	60,233	27,960	(5,100)	(7,500)	0.7%
Manufacturing	14	1,726,303			0	0	0.0%
Warehouse Distribution	85	12,961,222	51,000	26,000	0	0	0.2%
Warehouse Office	197	5,970,016			3,000	10,200	0.0%
<b>Grand Total</b>	<b>413</b>	<b>24,784,893</b>	<b>111,233</b>	<b>53,960</b>	<b>(2,100)</b>	<b>2,700</b>	<b>0.2%</b>

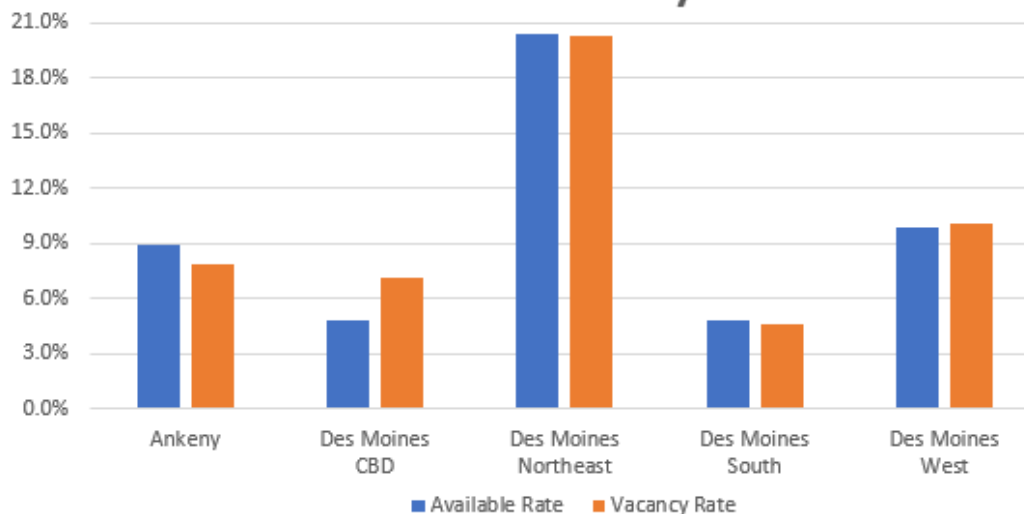
## Absorption and Vacancy Rate



# Market Statistics by Market (Multi-Tenant)

Market	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Ankeny	Flex/R&D	11	287,170	19,914	17,464	4,742	2,633	6.1%
	Manufacturing	3	425,192			0	0	0.0%
	Warehouse Distribution	8	1,213,756	157,900	157,900	0	200,494	13.0%
	Warehouse Office	20	395,399	29,981	8,701	11,850	12,324	2.2%
	<b>Subtotal</b>	<b>42</b>	<b>2,321,517</b>	<b>207,795</b>	<b>184,065</b>	<b>16,592</b>	<b>215,451</b>	<b>7.9%</b>
Des Moines CBD	Flex/R&D	7	291,719	27,378	27,378	0	0	9.4%
	Warehouse Distribution	2	84,999			0	0	0.0%
	Warehouse Office	7	245,706	2,804	17,416	(2,804)	(2,804)	7.1%
	<b>Subtotal</b>	<b>16</b>	<b>622,424</b>	<b>30,182</b>	<b>44,794</b>	<b>(2,804)</b>	<b>(2,804)</b>	<b>7.2%</b>
Des Moines Northeast	Flex/R&D	17	371,872	11,800		19,750	16,050	0.0%
	Manufacturing	5	546,566			0	0	0.0%
	Warehouse Distribution	28	4,744,450	1,449,187	1,449,187	0	(60,000)	30.5%
	Warehouse Office	60	1,880,692	76,219	84,140	(7,200)	(10,800)	4.5%
	<b>Subtotal</b>	<b>110</b>	<b>7,543,580</b>	<b>1,537,206</b>	<b>1,533,327</b>	<b>12,550</b>	<b>(54,750)</b>	<b>20.3%</b>
Des Moines South	Flex/R&D	6	237,568	27,098		0	0	0.0%
	Warehouse Distribution	8	1,441,509	20,000	41,004	0	0	2.8%
	Warehouse Office	16	1,265,613	95,000	95,000	6,000	0	7.5%
	<b>Subtotal</b>	<b>30</b>	<b>2,944,690</b>	<b>142,098</b>	<b>136,004</b>	<b>6,000</b>	<b>0</b>	<b>4.6%</b>
Des Moines West	Flex/R&D	76	2,939,023	320,296	322,932	(4,131)	9,808	11.0%
	Manufacturing	6	754,545			0	0	0.0%
	Warehouse Distribution	39	5,476,508	574,735	591,315	235,140	189,377	10.8%
	Warehouse Office	94	2,182,606	227,210	230,011	(24,767)	(24,714)	10.5%
	<b>Subtotal</b>	<b>215</b>	<b>11,352,682</b>	<b>1,122,241</b>	<b>1,144,258</b>	<b>206,242</b>	<b>174,471</b>	<b>10.1%</b>
<b>Grand Total</b>		<b>413</b>	<b>24,784,893</b>	<b>3,039,522</b>	<b>3,042,448</b>	<b>238,580</b>	<b>332,368</b>	<b>12.3%</b>

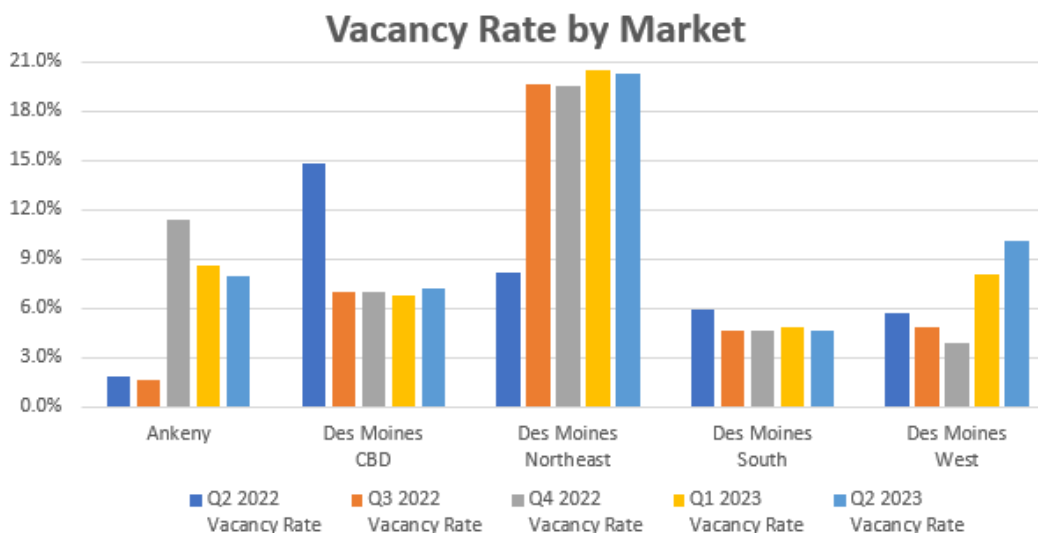
## Available and Vacancy Rates





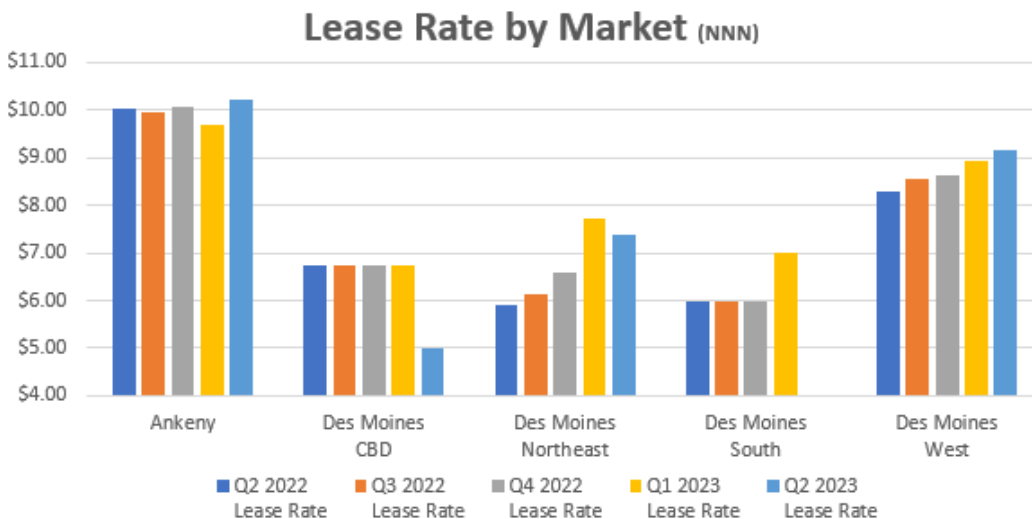
# Vacancy Rates by Market (Multi-Tenant)

Market	Property Type	Q2 2022 Vacancy Rate	Q3 2022 Vacancy Rate	Q4 2022 Vacancy Rate	Q1 2023 Vacancy Rate	Q2 2023 Vacancy Rate
Ankeny	Flex/R&D	4.8%	5.2%	7.0%	7.7%	6.1%
	Manufacturing	0.8%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	0.0%	0.0%	19.0%	13.0%	13.0%
	Warehouse Office	5.1%	4.6%	6.0%	5.2%	2.2%
	<b>Subtotal</b>	<b>1.8%</b>	<b>1.6%</b>	<b>11.4%</b>	<b>8.6%</b>	<b>7.9%</b>
Des Moines CBD	Flex/R&D	11.2%	9.4%	9.4%	9.4%	9.4%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	23.3%	6.7%	6.7%	5.9%	7.1%
	<b>Subtotal</b>	<b>14.9%</b>	<b>7.0%</b>	<b>7.0%</b>	<b>6.7%</b>	<b>7.2%</b>
Des Moines Northeast	Flex/R&D	5.9%	5.9%	4.3%	5.3%	0.0%
	Manufacturing	5.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	13.2%	31.9%	29.3%	30.5%	30.5%
	Warehouse Office	1.7%	1.7%	3.9%	4.1%	4.5%
	<b>Subtotal</b>	<b>8.1%</b>	<b>19.6%</b>	<b>19.5%</b>	<b>20.5%</b>	<b>20.3%</b>
Des Moines South	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	5.6%	2.8%	2.8%	2.8%	2.8%
	Warehouse Office	7.5%	7.5%	7.5%	8.0%	7.5%
	<b>Subtotal</b>	<b>6.0%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.8%</b>	<b>4.6%</b>
Des Moines West	Flex/R&D	16.0%	14.9%	10.5%	10.8%	11.0%
	Manufacturing	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	1.8%	0.8%	0.8%	7.0%	10.8%
	Warehouse Office	2.5%	2.1%	3.4%	9.4%	10.5%
	<b>Subtotal</b>	<b>5.8%</b>	<b>4.9%</b>	<b>3.9%</b>	<b>8.1%</b>	<b>10.1%</b>
<b>Grand Total</b>		<b>6.3%</b>	<b>9.1%</b>	<b>9.8%</b>	<b>11.5%</b>	<b>12.3%</b>



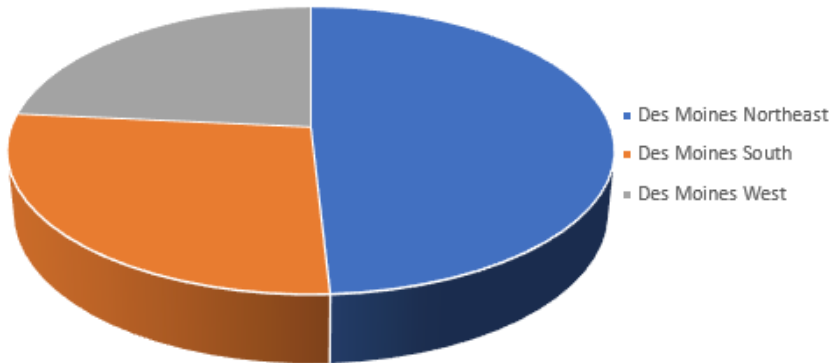
# Lease Rates by Market (Multi-Tenant NNN)

Market	Property Type	Q2 2022 Lease Rate	Q3 2022 Lease Rate	Q4 2022 Lease Rate	Q1 2023 Lease Rate	Q2 2023 Lease Rate
Ankeny	Flex/R&D	\$10.92	\$10.50	\$10.71	\$10.06	\$10.19
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office	\$8.75	\$9.44	\$9.30	\$9.40	\$10.25
	<b>Subtotal</b>	<b>\$10.05</b>	<b>\$9.97</b>	<b>\$10.07</b>	<b>\$9.69</b>	<b>\$10.22</b>
Des Moines CBD	Flex/R&D					
	Warehouse Distribution					
	Warehouse Office	\$6.75	\$6.75	\$6.75	\$6.75	\$5.00
	<b>Subtotal</b>	<b>\$6.75</b>	<b>\$6.75</b>	<b>\$6.75</b>	<b>\$6.75</b>	<b>\$5.00</b>
Des Moines Northeast	Flex/R&D	\$5.75	\$5.75	\$8.00	\$10.75	\$10.75
	Manufacturing					
	Warehouse Distribution	\$5.11	\$4.98	\$3.75	\$4.68	\$3.85
	Warehouse Office	\$7.05	\$6.87	\$6.88	\$7.73	\$7.44
	<b>Subtotal</b>	<b>\$5.92</b>	<b>\$6.12</b>	<b>\$6.59</b>	<b>\$7.72</b>	<b>\$7.39</b>
Des Moines South	Flex/R&D					
	Warehouse Distribution					
	Warehouse Office	\$6.00	\$6.00	\$6.00	\$7.00	
	<b>Subtotal</b>	<b>\$6.00</b>	<b>\$6.00</b>	<b>\$6.00</b>	<b>\$7.00</b>	
Des Moines West	Flex/R&D	\$9.13	\$9.12	\$9.00	\$9.14	\$9.51
	Manufacturing					
	Warehouse Distribution	\$5.90	\$6.15	\$7.17	\$7.75	\$8.25
	Warehouse Office	\$6.89	\$7.90	\$8.24	\$8.79	\$8.62
	<b>Subtotal</b>	<b>\$8.30</b>	<b>\$8.56</b>	<b>\$8.62</b>	<b>\$8.93</b>	<b>\$9.17</b>
<b>Grand Total</b>		<b>\$7.98</b>	<b>\$8.25</b>	<b>\$8.56</b>	<b>\$8.83</b>	<b>\$9.03</b>



# New Developments by Market

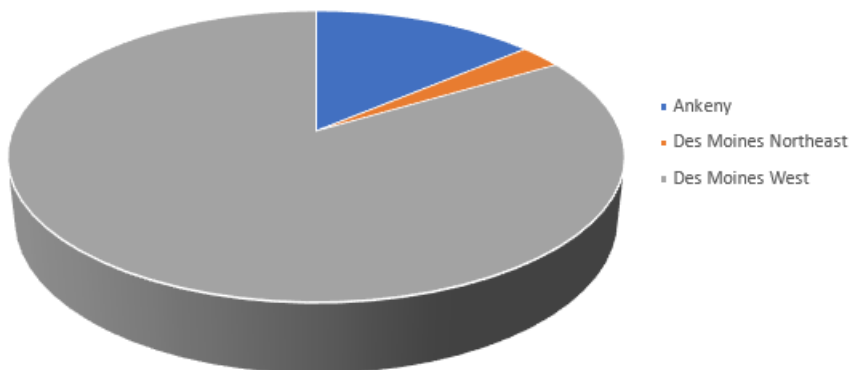
Under Construction (sf)



Market	Bldg (sf)
Des Moines Northeast	908,118
Des Moines South	505,954
Des Moines West	434,000
<b>Grand Total</b>	<b>1,848,072</b>

# Year to Date Deliveries by Market

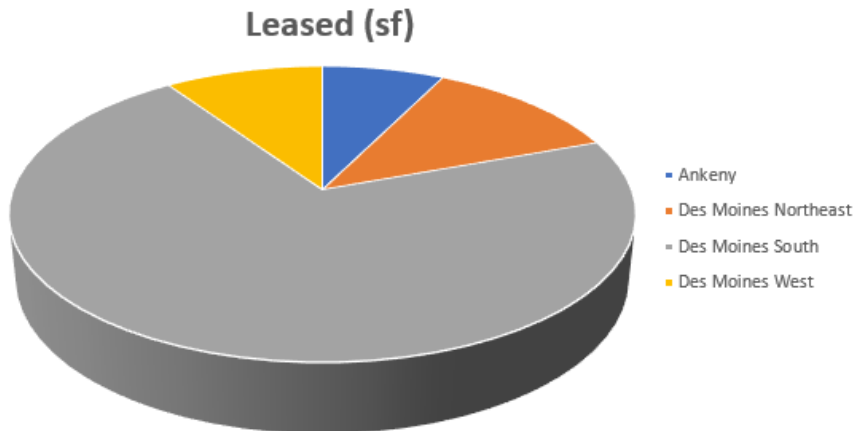
YTD Delivered (sf)



Market	Bldg (sf)
Ankeny	157,900
Des Moines Northeast	30,000
Des Moines West	952,716
<b>Grand Total</b>	<b>1,140,616</b>

# Leasing Activity

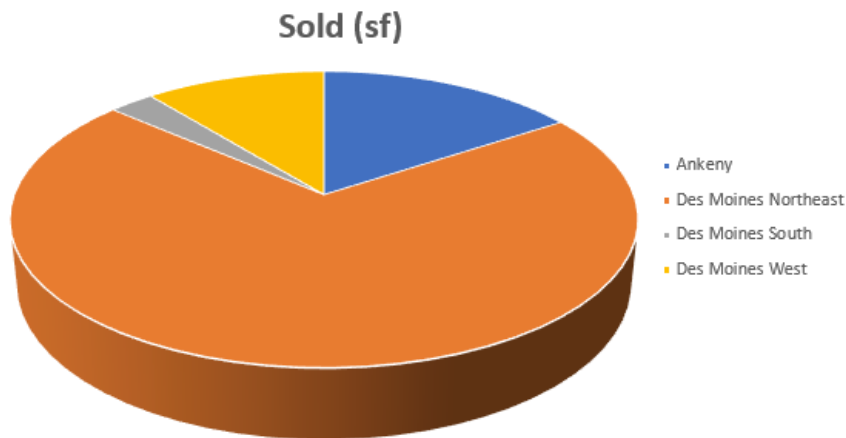
Property	Size (sf)	Market	Tenant	Landlord
Prairie Business Park 400 SE 41st St	27,549	Des Moines West	Tri City Electric	Prairie Business Park IV LLC
Legacy 3 1400 SE 19th St	15,000	Des Moines West	Fuerza Futbol	Anderson Four LLC
Gateway Commerce Park 5001 SE Beisser Dr	10,000	Des Moines West	Carrier	Western Properties LLC
Woodside Business Park 1595 NE 69th Pl	7,200	Ankeny	United Rentals, Inc.	Denny Elwell Family LC
1863 NE 54th Ave	5,850	Des Moines Northeast	Telcom Construction	J Snyder Enterprises LLC



Market	Leased (sf)
Ankeny	12,000
Des Moines Northeast	19,530
Des Moines South	115,464
Des Moines West	15,554
<b>Grand Total</b>	<b>162,548</b>

# Sales Activity

Property	Price	Market	Buyer	Seller
Swanwood Logistics Center II 2402 SE Convenience Blvd	\$27,408,000	Des Moines Northeast	Distribution Properties LLC	Opus Development Company LLC
Cummins Central Power 2402 SE Hulsizer Rd	\$5,162,000	Ankeny	KE Mezz LLC	Brandt Properties Co
2163 NW 111th St	\$3,750,000	Des Moines West	98 Investments, LLC	C&D Land & Cattle, LLC
5727 NE 16th St	\$2,750,000	Des Moines Northeast	Kinzler Equities LLC	Delden Garage Doors Inc
6250 NW Beaver Dr	\$2,000,000	Des Moines West	Eroc Properties LLC	6250 NW Beaver Drive LLC



Market	Sold (sf)
Ankeny	75,224
Des Moines Northeast	337,118
Des Moines South	13,097
Des Moines West	52,108
<b>Grand Total</b>	<b>477,547</b>

# Methodology

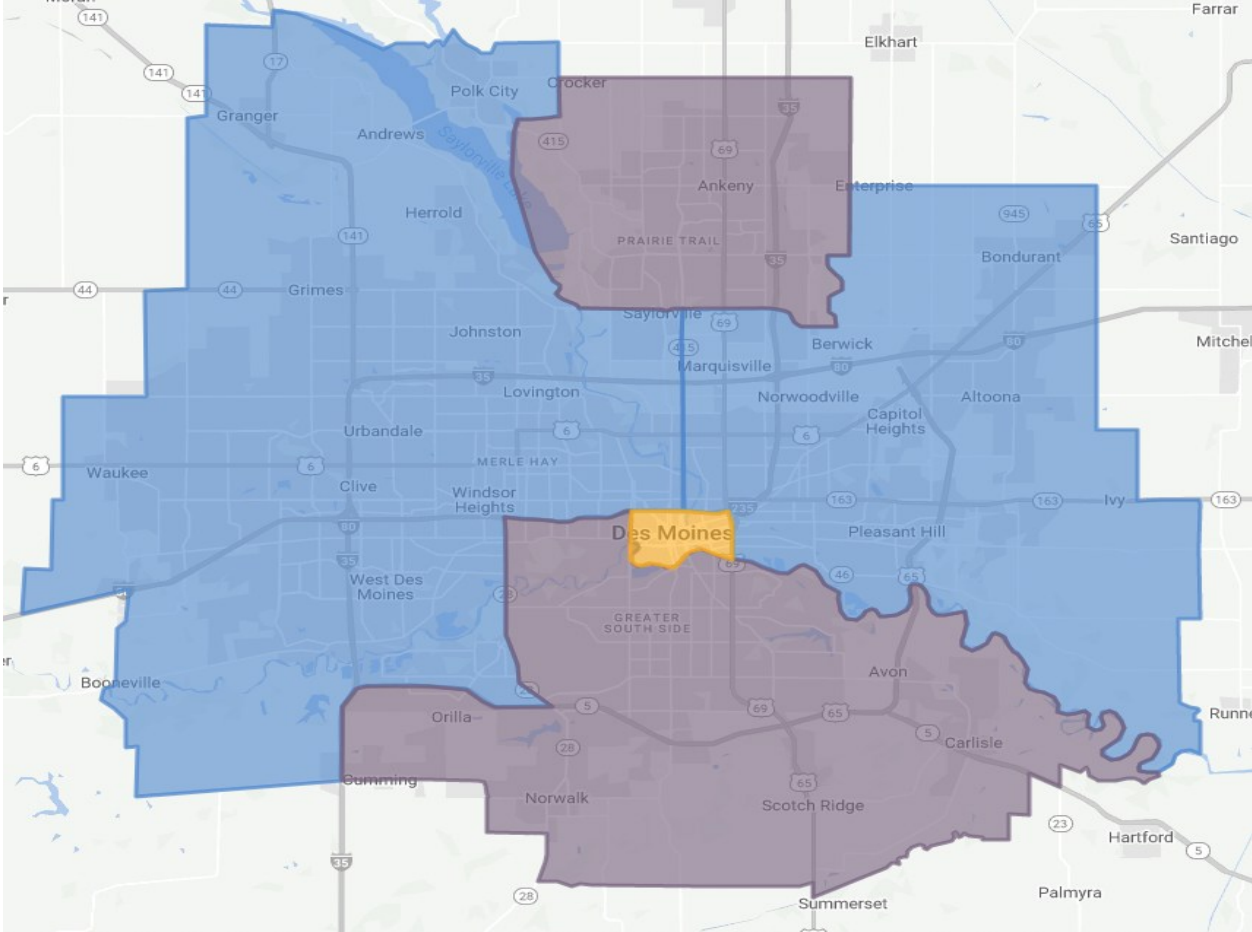
The Des Moines market consists of single and multi-tenant industrial buildings 10,000 sf or larger or part of a complex larger than 10,000 sf. The geographic area includes Dallas, Polk and Warren counties. The tracked set does not include self-storage facilities and non-conforming property types such as grain elevators or fuel storage facilities. All tracked properties are existing. Statistically, net absorption will be calculated based on occupancy change during the current quarter. Asking lease rates are based on an average asking rate and noted on a NNN basis.

**The Des Moines tracked set consists of an inventory of buildings considered to be competitive by the brokerage community. All buildings within the competitive tracked set have been reviewed and verified by members of the Advisory Boards for each market area.**

## Terminology

<b>Inventory</b>	The total square feet (sf) of existing multi-tenant buildings greater than 10,000 sf or are part of a complex that totals greater than 10,000 sf located in Dallas, Polk and Warren Counties.
<b>Total Available (sf)</b>	All of the available leasable space within a building, whether it is occupied or vacant, for direct lease or sublease space. Space can be available but not vacant, for example, if the landlord, or his agent, is marketing space that will be coming available at a future date because a tenant is planning to move.
<b>Total Vacant (sf)</b>	The total of all the vacant square feet within a building including both direct and sublease space.
<b>Direct Vacant (sf)</b>	The total of the vacant square footage in a building that is being marketed by an agent representing the landlord.
<b>Sublease Space</b>	Space that is offered for lease by a current tenant, or his agent, within a property. Whether the tenant is paying rent or not, the space is considered vacant only if it is unoccupied.
<b>Net Absorption</b>	The net change in occupancy from quarter to quarter, expressed in square feet.
<b>Average Asking Rate</b>	The average lease rate expressed as a per square foot value in NNN terms.

# Market Map



## Advisory Board Members

Anderson Properties	Jeff Sadoris	Knapp Properties	Korey Birkenholtz
Buyers Realty	Mike Cunningham		Brian Erickson
	Bill Wright		Lucas Hedstrom
CBRE	Blake Bogenrief	JLL	Eric Land
	Chris Pendroy		Abi Reiland
Caliber Realty	Blake Pagliai	Locate CRE	Keith Olson
Capstone Commercial	Corey Sedrel	NAI Iowa Realty	Kevin Crowley
CDM RE Services	Sherri Goode	R&R Realty Group	Chris Curran
Cushman & Wakefield	Alec Wilcox	Signature CRE	Andy Hodges
Denny Elwell Company	Carson Hughes	Stanbrough Realty	Jeff Stanbrough

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