

FIGURES | MINNEAPOLIS RETAIL | Q4 2025

Southwest submarket drives strong leasing activity at year-end

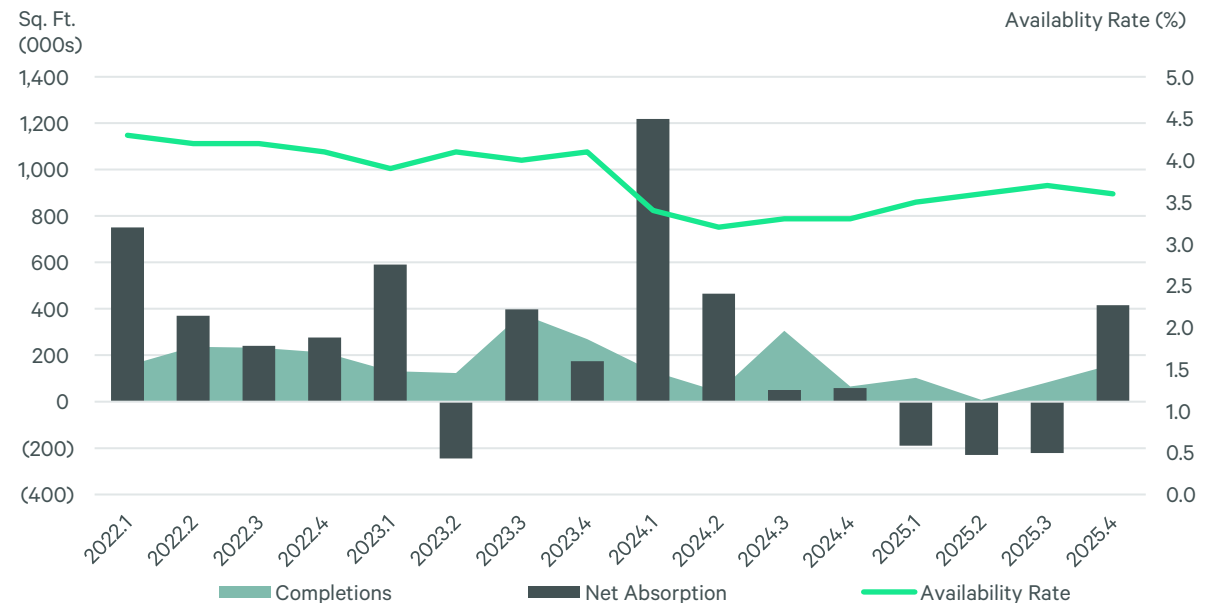


Note: Arrows indicate change from previous quarter.

MARKET HIGHLIGHTS

- The Minneapolis market completed the year with an availability rate of 3.6%, decreasing by 10 bps from the previous quarter and 30 bps increase year-over-year.
- Net absorption was 416K sq. ft. in Q4, bringing the year-to-date total to (224)K. This represents a 127% decrease from the three-year annual average of 830K sq. ft.
- There was 160K sq. ft. of construction deliveries in Q4. Annually, the market delivered 354K sq. ft., a decrease of 35% from the previous year.
- Leasing activity reached nearly 440K sq. ft. transacted in Q4, with the total annual volume in 2025 exceeding 1.8M sq. ft., a 31% increase compared to 2024.
- Q4 investment sales volume exceeded \$184M transacted, Total volume year-to-date was \$658M transacted, a 7% decrease year-over-year.

FIGURE 1: Completions, Net Absorption, and Availability Rate



Source: CBRE Econometric Advisors, Q4 2025.

Market Overview

FIGURE 2: Market Statistics by Product Type

Market	Inventory (SF, 000s)	Availability Rate (%)	Net Absorption (SF 000s)	Completions (SF 000s)
Lifestyle & Mall	15,977	5.1	16	-
Neighborhood, Community & Strip	46,265	6.3	145	-
Power	13,355	7.1	(18)	-
Street, Freestanding, Other	93,638	1.5	273	160
Total Market	169,235	3.6	416	160

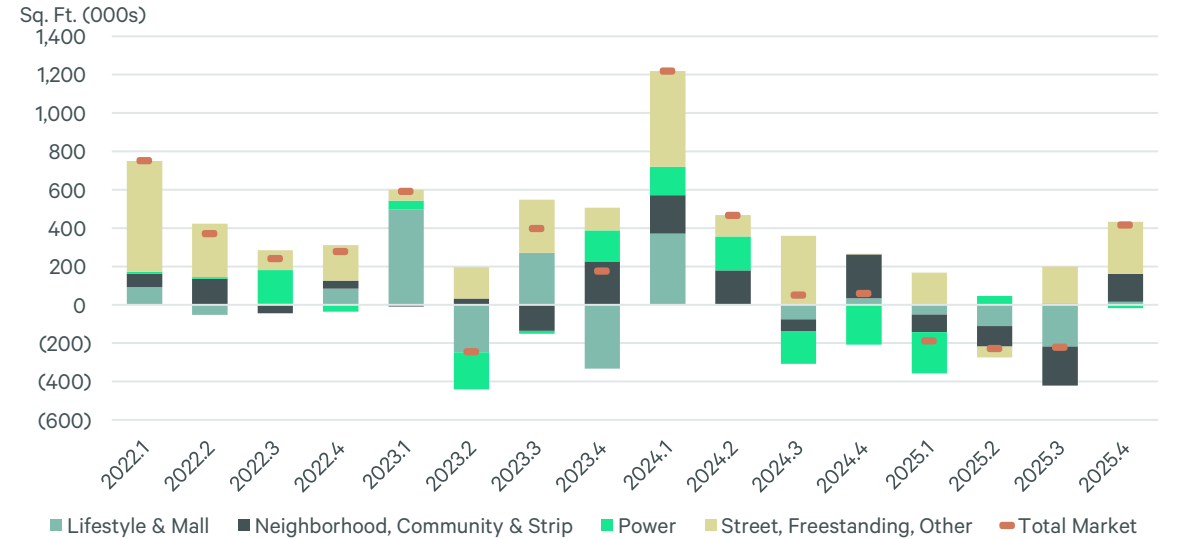
Source: CBRE Econometric Advisors, Q4 2025.

FIGURE 3: Market Statistics by Submarket

Market	Inventory (SF 000s)	Availability Rate (%)	Net Absorption (SF 000s)	Completions (SF 000s)
Total Market	169,235	3.6	416	160
Apple Valley - Lakeville	15,180	2.9	55	-
B/E/R	17,325	1.7	3	-
East	10,660	3.2	2	-
Golden Valley	10,244	6.6	(44)	-
Minneapolis	7,501	6.0	21	-
North Central	18,051	4.2	33	-
North	13,168	3.7	(47)	-
Northeast	12,281	2.7	20	-
Northwest	22,181	2.9	99	11
South	11,714	5.4	41	2
Southwest	8,048	1.4	27	11
St. Paul	9,967	5.5	33	-
West	12,915	2.7	173	136

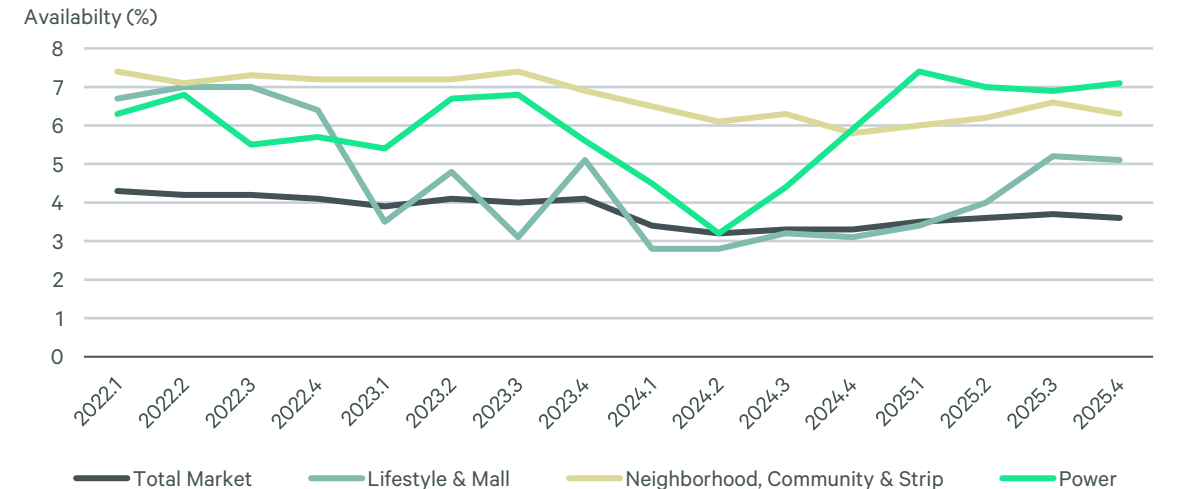
Source: CBRE Econometric Advisors, Q4 2025.

FIGURE 4: Net Absorption by Center Type



Source: CBRE Econometric Advisors, Q4 2025.

FIGURE 5: Availability by Center Type



Source: CBRE Econometric Advisors, Q4 2025.

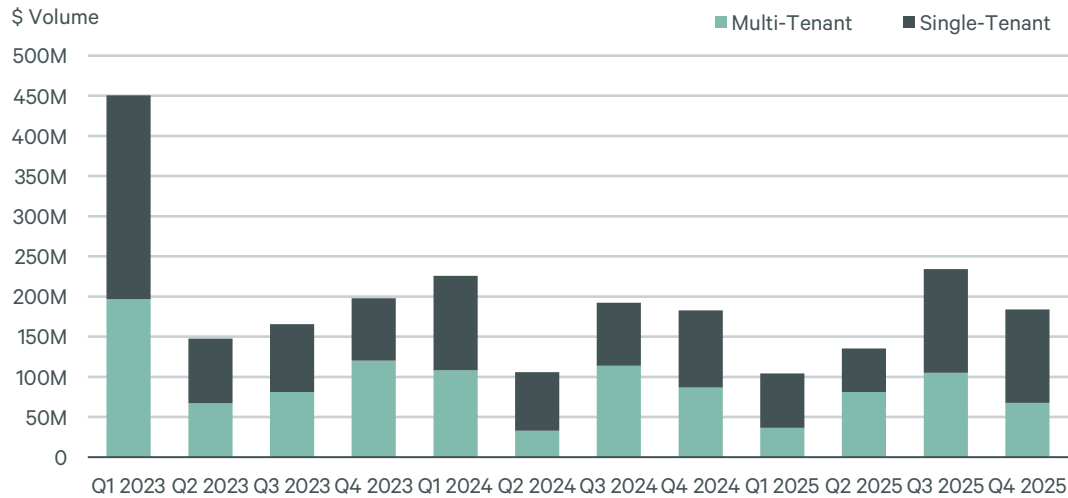
Investment Sales

FIGURE 6: Q4 2025 Top Sale Transactions

Property Name	City	Building SF	Sale Price	Price / SF
18425 Dodd Blvd	Lakeville	212,030	\$31,422,058	\$148
Life Time Fitness	Maple Grove	69,289	\$17,500,000	\$253
Cedar Cliff Shopping Center	Saint Paul	42,098	\$10,150,000	\$217
6869 Laketowne PI NE	Albertville	9,907	\$6,095,510	\$615
Tonka Village Shopping Center	Excelsior	17,792	\$6,000,000	\$337

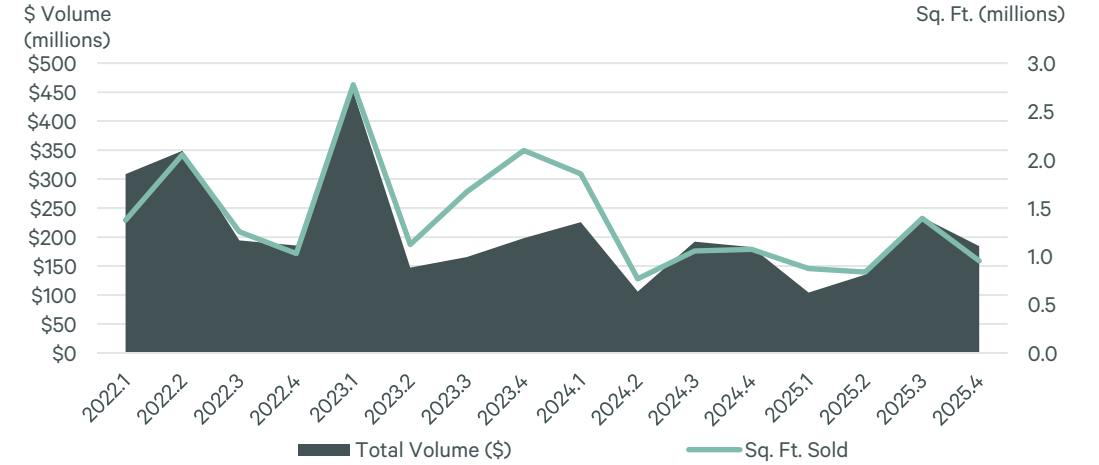
Source: MSCI Real Capital Analytics, CoStar, CBRE Research, Q4 2025.

FIGURE 7: Multi-Tenant vs. Single-Tenant Sale Volume



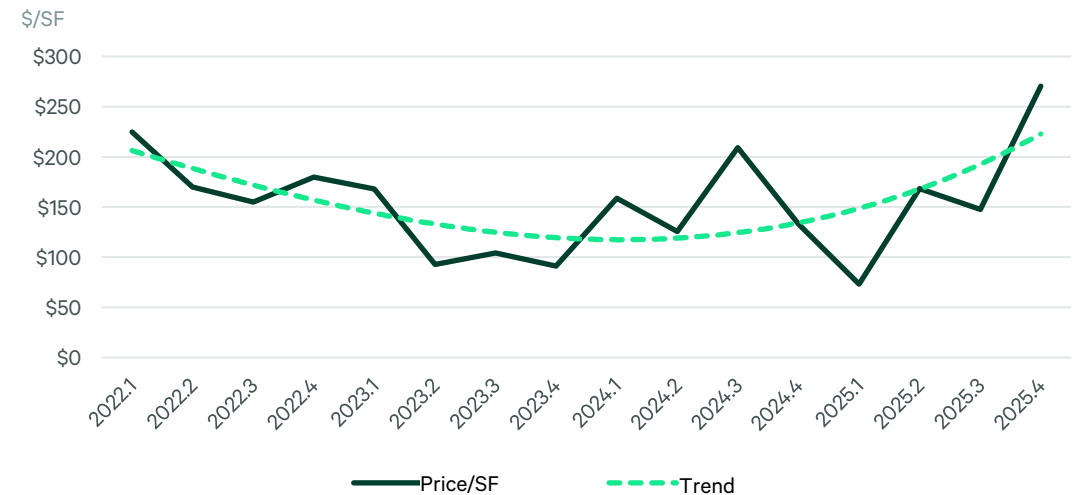
Source: MSCI Real Capital Analytics, CoStar, CBRE Research, Q4 2025

FIGURE 8: Retail Investment Sale Volume



Source: MSCI Real Capital Analytics, CoStar, CBRE Research, Q4 2025

FIGURE 9: Retail Investment Sale Price Per Sq. Ft.



Source: Real Capital Analytics, CBRE Research, Q4 2025

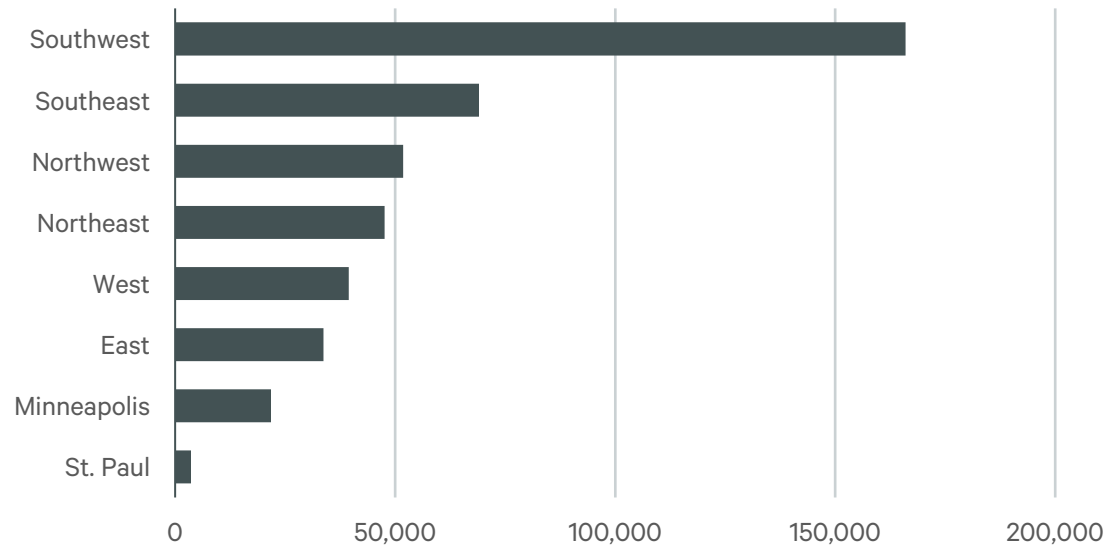
Leasing Activity

FIGURE 10: Q4 2025 Top Leasing Activity

Property Name	City	Area Lease	Tenant
7931 Southtown Center	Minneapolis	95,618	Kin
13201 Ridgehaven Dr	Minnetonka	16,240	Target
Village Green Shops	Woodbury	14,915	Baseline Fitness Minnesota
Eagle Point Office Center III	Lake Elmo	12,043	Regus
The Shoppes at Arbor Lakes	Maple Grove	9,985	Duluth Trading Co.
Bergen Plaza	Oakdale	9,401	Korean BBQ Hot Pot
3313 Hazelton Road	Minneapolis	8,488	Lane Bryant Brands

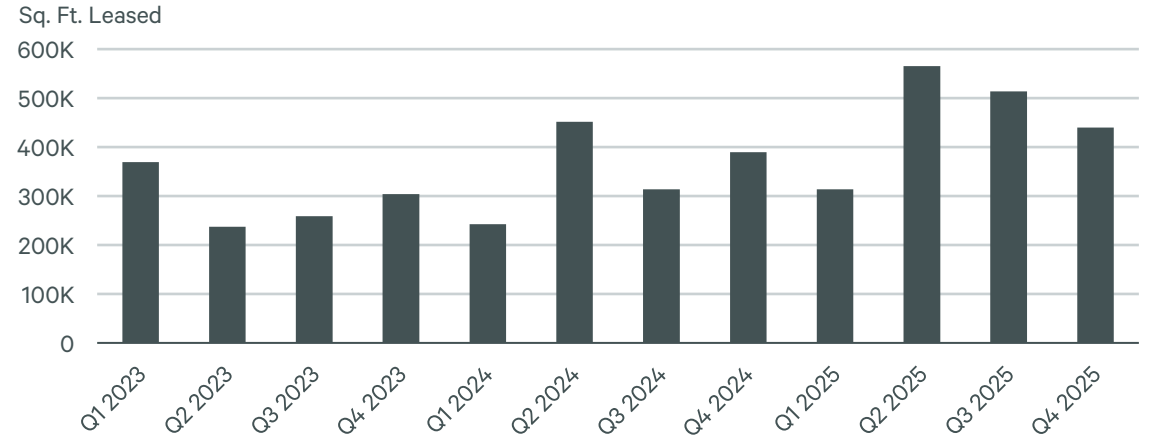
*CBRE Team Deals Source: CBRE Research, Q4 2025.

FIGURE 11: Q4 2025 Leasing by Submarket



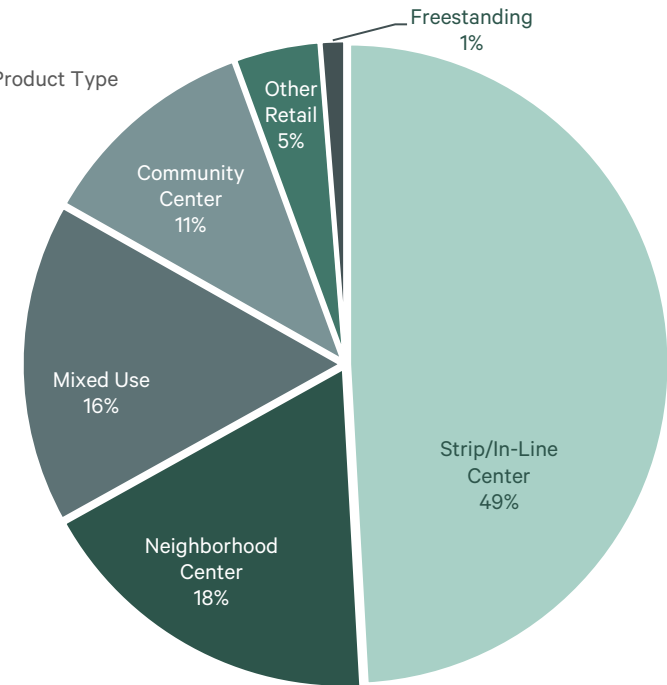
Source: CBRE Research, Q4 2025.

FIGURE 12: Historical Leasing Volume



Source: CBRE Research, Q4 2025.

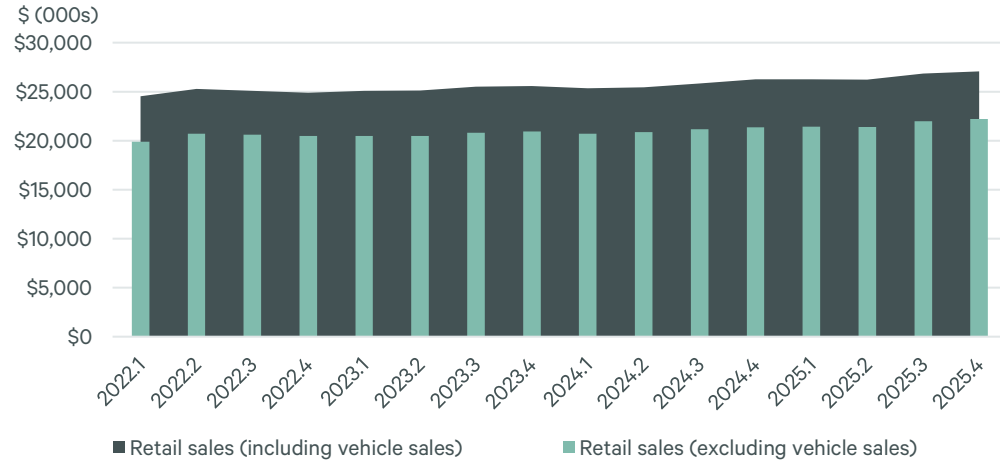
FIGURE 13: Q4 2025 Leasing by Product Type



Source: CBRE Research, Q4 2025.

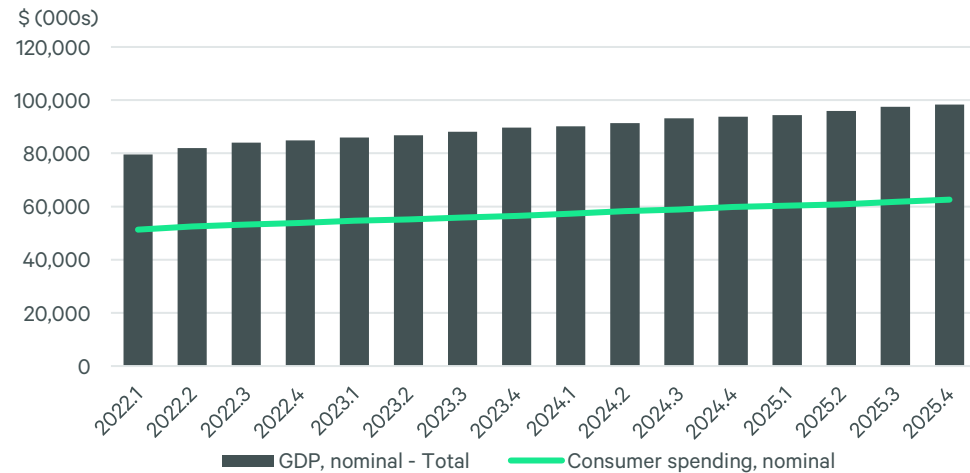
Economic Overview

FIGURE 14: Total Retail Sales



Source: Oxford Economics, Q4 2025.

FIGURE 15: GDP & Consumer Spending



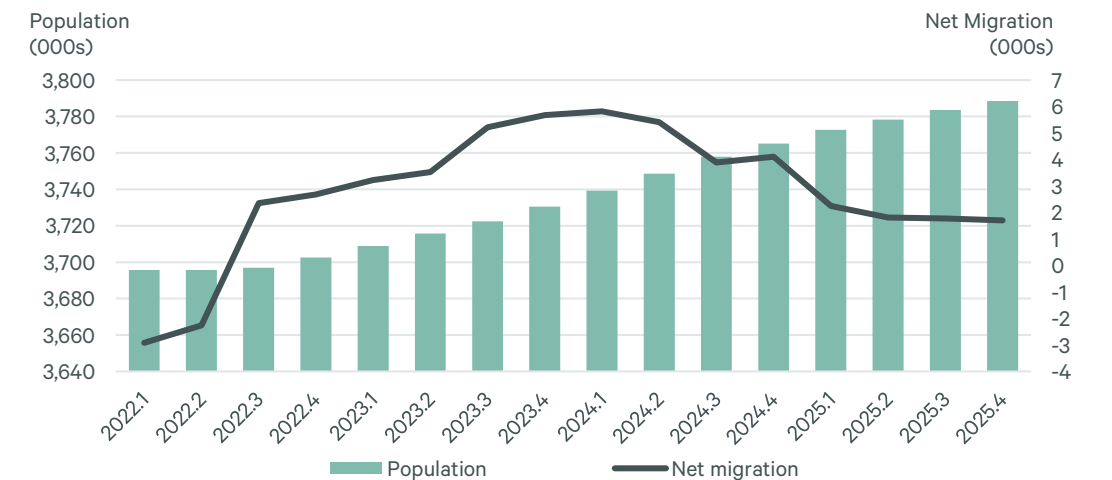
Source: Oxford Economics, Q4 2025.

FIGURE 16: Retail Employment vs. Unemployment



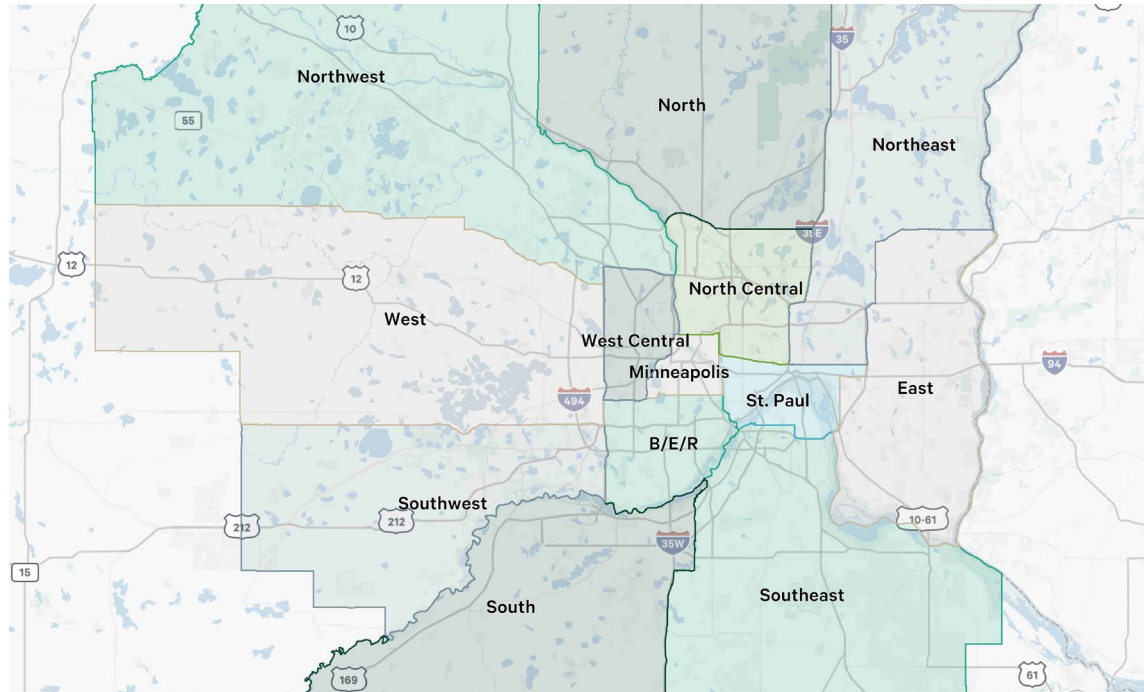
Source: Oxford Economics, Q4 2025.

FIGURE 17: Total Population & Net Migration



Source: Oxford Economics, Q4 2025.

Market Area Overview



Retail Definitions

- Neighborhood, community and strip centers are groupings of buildings where there is most often an anchor property (except strip). Neighborhood properties are the largest ranging from 125,000 to 400,000 sq. ft., followed by community at 30,000 to 125,000 sq. ft., and strip with 30,000 or less sq. ft.
- Lifestyle are upscale national-chain specialty stores with dining and entertainment in an outdoor setting. Lifestyle centers range from 150,000 to 500,000 sq. ft. Malls, including both regional and super regional malls, can provide a wide range of goods and services. Regional malls are built around full-line department stores and usually range over 300,000 sq. ft. Super regional malls are usually over 750,000 sq. ft. with more department stores.
- Power Centers are category-dominant anchors, including discount department stores, off-price stores, and wholesale clubs, with only a few small tenants. They range from 250,000 to 600,000 sq. ft. and have multiple anchors.
- Freestanding Retail are single-tenant occupied retail buildings. All other variables may vary.

Market Definition

The Minneapolis market consists of Anoka County, Carver County, Chisago County, Dakota County, Hennepin County, Isanti County, Le Sueur County, Mille Lacs County, Ramsey County, Scott County, Sherburne County, Sibley County, Washington County, Wright County, Pierce County, and St. Croix County.

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