

THE STATE OF "INDUSTRIAL"

The Problem? Construction Costs & Delays

Building cost are up \$10-\$20 per sq. ft. across the board from the summer of 2020. Labor rates continue to rise. Minnesota, specifically the Twin Cities have a high UNION impacted labor force. The trade unions have really pushed city municipalities to hire union contractors vs. right to work/nonunion contractors which has increased costs.

Delays

Material shortages all over the board have impacted owners, contractors, and architects. These groups really need to work together to find "stock" materials vs. custom materials to help shorten lead times.

How TaTonka Can Help!

In the ever-changing industrial market, it can be hard to navigate the size and location of the "gem of the market". TaTonka is here to exclusively represent YOU, the tenant or buyer, through these



Soaring Minnesota Industrial Market Continues To Persist

With an estimated nearly 5.3 million sq. ft. under construction in Minnesota, industrial supply is trying to keep up with demand. Construction costs and delays in material are not stopping the widely quoted, "gem of the market" in Minnesota. E-commerce and bulk distribution warehouses continue its rapid expansion due to increasing consumer access to online purchases. The massive demand for rapid delivery has impacted companies locations, size, and square footage of space. The supply chain is slowly catching up with the ever-growing demand. In 2022 we are hoping to see steel and lumber prices come back to some normalcy (although it is doubtful they will ever return to pre-covid pricing), which in turn will increase supply to meet this demand.

