



INDUSTRY TRENDS

OCCUPANCY COST REDUCTION

- Many firms are choosing to relocate from “trophy space” to less expensive space on lower level floors in an effort to reduce occupancy costs.

CONSOLIDATION OF FIRMS

- Fee compression as well as reduced demand for legal services has resulted in the continued commoditization of the legal industry. Many firms have elected to merge enabling them to become more efficient with in-house administrative functions, increase operational efficiencies and increase buying power.

REDUCTION OF SURPLUS SPACE

- The amount of space firms are leasing is decreasing as a result of technology, standardized offices sizes, offshoring of administrative functions and a more mobile workforce.

DIVERSIFIED PRACTICE GROUPS

- Firms are capitalizing on the growth of the tech sector and placing a greater focus on diversified practice group such as cybersecurity, financial regulations and data management.

NOTABLE DEALS



Winthrop & Weinstine
Capella Tower
92,000 SF



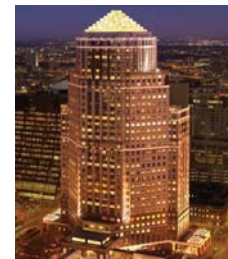
Lindquist & Venum
IDS Center
85,000 SF



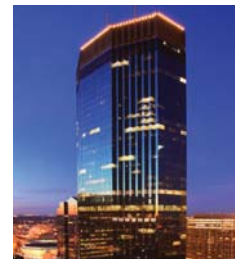
Meagher & Geer
33 South 6th
50,000 SF



Best & Flanagan
60 South 6th
28,000 SF



Hinshaw & Culbertson
333 South 7th
25,000 SF



Nichols Kaster
IDS Center
25,000 SF

MARKET STATISTICS

MINNEAPOLIS CBD OVERALL

Average Class A asking rent	\$17.20
Average % rent premium for trophy space	20%
Average % rent discount for “B” space	25%
Average annual rent escalation	2-3%

22%

OF CLASS A
MARKET OCCUPIED
BY LAW FIRMS

835

AVERAGE
SQUARE FEET PER
ATTORNEY

14

LAW FIRMS
OCCUPYING
50,000 + SF

SPACE OPTIMIZATION

LINDQUIST
LINDQUIST+VENNUM

RENEWAL

120,000 SF



85,000 SF

BEST & FLANAGAN

RELOCATION

35,000 SF



28,000 SF

DORSEY
DORSEY & WHITNEY LLP

RENEWAL

330,000 SF



250,000 SF

BRIGGS
BRIGGS AND MORGAN

RENEWAL

135,000 SF



117,000 SF