

Market

Trends

Q2 2023

Milwaukee - Industrial



REDI

MOODY'S
ANALYTICS

Catylist



MARKET TRENDS

Q2 2023 | Milwaukee | Industrial

Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	785,271	
Area Unemployment	3.1	
U.S. Unemployment	3.6	
Industrial Jobs	114,700	

Source: BLS

*Employment figures and area unemployment are based on Milwaukee MSA data.

Market Recap

All Properties

Total Inventory (sf)	376,625,799
Total # of Bldgs (tracked)	5,371
Absorption	385,051
Vacancy	3.6%
Asking Rate (NNN)	\$6.37
New Construction (sf)	10,216,892

Multi-tenant Properties

Total Inventory (sf)	92,133,416
Total # of Bldgs (tracked)	1,206
Absorption	94,718
Vacancy	9.8%
Asking Rate (NNN)	\$6.45

Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Milwaukee metropolitan statistical area (MSA) decreased 10 basis points to 3.1% compared to 3.2% in May 2022. The unemployment rate for the US was at 3.6% in June 2023 which was the same last year. State of Wisconsin unemployment was 2.4% for this quarter. The Milwaukee MSA saw an increase in job growth while manufacturing jobs also increased by 800 jobs during the same period.

Market Overview

The Milwaukee Industrial market consists of 376.6 msf of space in eight counties across Southeastern Wisconsin. For all properties, Southeastern Wisconsin posted 385,000 sf positive absorption in Q2 2023 bringing YTD to 1.1 msf positive absorption. Multi-tenant properties had 94,700 sf positive absorption bringing YTD to 608,800 sf positive absorption. The second quarter ended with a vacancy rate of 3.6% for all inventory and 9.8% for multi-tenant properties. The average asking lease rates for Southeastern Wisconsin has increased from \$6.00 last year to \$6.37 psf NNN for Q2 2023. To date, there are 44 properties totaling 10.2 msf of new construction projects throughout the market. Fourteen properties with 2.9 msf were delivered year to date.

Market Highlights

Walworth County topped all counties in positive absorption with 144,000 sf resulting from Zero Zone leasing 183,000 sf. Racine led two counties with negative absorption of (10,000) sf. At the close of Q2 2023 the market had 59 lease transactions totaling 1.08 msf of leasing activity. Forty one properties sold topping \$58 million with 1.67 msf during Q2 2023.

Market Overview (Multi and Single Tenant)

Total

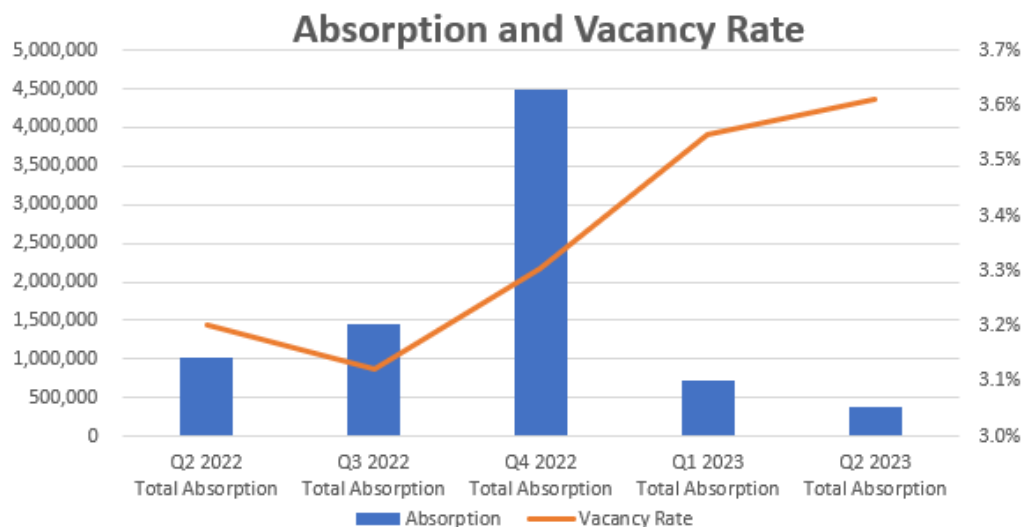
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	296	13,193,200	1,125,838	935,326	(1,681)	2,039	7.1%
Manufacturing	2,169	176,303,575	4,713,250	3,203,467	(20,840)	180,882	1.8%
Warehouse Distribution	775	122,693,444	8,615,256	6,870,105	212,615	791,014	5.6%
Warehouse Office	2,131	64,435,580	3,751,435	2,594,617	194,957	140,668	4.0%
Grand Total	5,371	376,625,799	18,205,779	13,603,515	385,051	1,114,603	3.6%

Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	296	13,193,200	1,100,492	926,774	(1,681)	2,427	7.0%
Manufacturing	2,169	176,303,575	4,540,486	3,068,203	39,130	240,852	1.7%
Warehouse Distribution	775	122,693,444	7,825,337	6,736,417	264,615	843,014	5.5%
Warehouse Office	2,131	64,435,580	3,623,447	2,503,629	194,957	140,668	3.9%
Grand Total	5,371	376,625,799	17,089,762	13,235,023	497,021	1,226,961	3.5%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	296	13,193,200	25,346	8,552	0	(388)	0.1%
Manufacturing	2,169	176,303,575	172,764	135,264	(59,970)	(59,970)	0.1%
Warehouse Distribution	775	122,693,444	789,919	133,688	(52,000)	(52,000)	0.1%
Warehouse Office	2,131	64,435,580	127,988	90,988	0	0	0.1%
Grand Total	5,371	376,625,799	1,116,017	368,492	(111,970)	(112,358)	0.1%



Market Statistics by County (Multi and Single Tenant)

County	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Kenosha	Flex/R&D	8	682,599			0	0	0.0%
	Manufacturing	103	7,967,151	135,074	135,074	0	0	1.7%
	Warehouse Distribution	104	36,928,449	3,409,067	3,205,648	49,908	271,749	8.7%
	Warehouse Office	70	2,944,634	228,980		0	0	0.0%
	Subtotal	285	48,522,833	3,773,121	3,340,722	49,908	271,749	6.9%
Milwaukee	Flex/R&D	62	3,255,194	703,610	618,455	(2,205)	(936)	19.0%
	Manufacturing	666	60,520,033	3,271,651	2,505,360	2,330	39,597	4.1%
	Warehouse Distribution	283	34,125,698	1,860,928	1,221,812	116,451	394,398	3.6%
	Warehouse Office	686	23,425,585	2,208,386	1,365,681	(121,965)	(136,004)	5.8%
	Subtotal	1,697	121,326,510	8,044,575	5,711,308	(5,389)	297,055	4.7%
Ozaukee	Flex/R&D	22	670,913	53,764	42,815	178	(10,922)	6.4%
	Manufacturing	118	9,041,752	190,867	155,873	41,800	61,833	1.7%
	Warehouse Distribution	16	2,149,211	6,001	6,001	0	0	0.3%
	Warehouse Office	65	2,352,488	119,290	62,490	10,773	0	2.7%
	Subtotal	221	14,214,364	369,922	267,179	52,751	50,911	1.9%
Racine	Flex/R&D	12	668,128	35,290	35,290	0	0	5.3%
	Manufacturing	189	17,425,319	27,320	27,320	(7,000)	(9,386)	0.2%
	Warehouse Distribution	77	13,100,837	1,867,073	1,824,073	(3,400)	(3,400)	13.9%
	Warehouse Office	142	5,068,066	459,568	886,167	0	0	17.5%
	Subtotal	420	36,262,350	2,389,251	2,772,850	(10,400)	(12,786)	7.6%
Sheboygan	Flex/R&D	1	30,720		5,000	0	0	16.3%
	Manufacturing	150	19,658,301	348,833	23,687	0	(23,687)	0.1%
	Warehouse Distribution	34	5,132,236	251,029		0	0	0.0%
	Warehouse Office	90	2,347,672	97,845		0	0	0.0%
	Subtotal	275	27,168,929	697,707	28,687	0	(23,687)	0.1%
Walworth	Flex/R&D	4	94,396			0	0	0.0%
	Manufacturing	124	9,541,727	235,390	58,336	(39,000)	(39,000)	0.6%
	Warehouse Distribution	30	3,135,417	110,900		183,200	183,200	0.0%
	Warehouse Office	76	2,165,145	70,550	40,000	0	0	1.8%
	Subtotal	234	14,936,685	416,840	98,336	144,200	144,200	0.7%
Washington	Flex/R&D	15	528,613	32,715	23,644	12,524	12,524	4.5%
	Manufacturing	232	14,790,839	117,500	120,140	59,500	59,500	0.8%
	Warehouse Distribution	75	9,981,922	684,875	213,438	4,033	106,394	2.1%
	Warehouse Office	176	4,503,012	195,270	82,051	1,063	3,813	1.8%
	Subtotal	498	29,804,386	1,030,360	439,273	77,120	182,231	1.5%
Waukesha	Flex/R&D	172	7,262,637	300,459	210,122	(12,178)	1,373	2.9%
	Manufacturing	587	37,358,453	386,615	177,677	(78,470)	92,025	0.5%
	Warehouse Distribution	156	18,139,674	425,383	399,133	(137,577)	(161,327)	2.2%
	Warehouse Office	826	21,628,978	371,546	158,228	305,086	272,859	0.7%
	Subtotal	1,741	84,389,742	1,484,003	945,160	76,861	204,930	1.1%
Grand Total		5,371	376,625,799	18,205,779	13,603,515	385,051	1,114,603	3.6%

Vacancy Rates by County (Multi and Single Tenant)

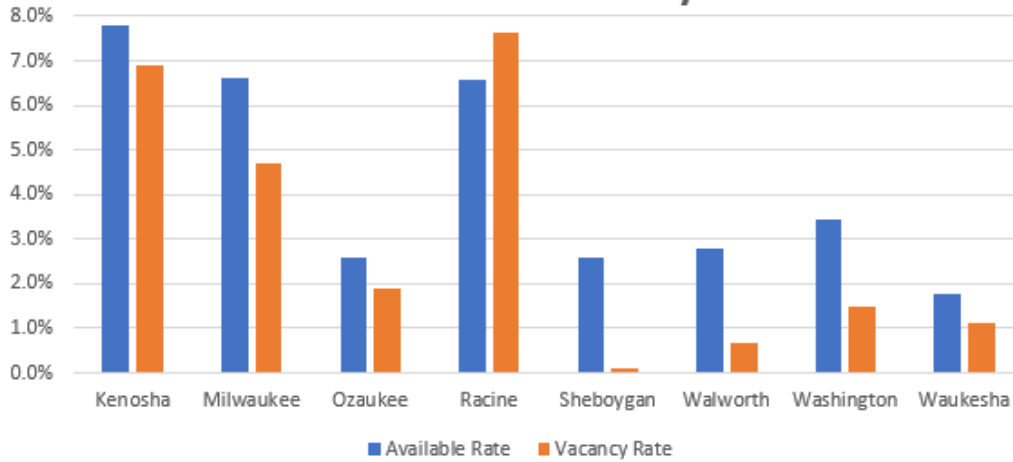
County	Property Type	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
		Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
Kenosha	Flex/R&D	1.2%	1.2%	0.0%	0.0%	0.0%
	Manufacturing	0.0%	0.0%	1.7%	1.7%	1.7%
	Warehouse Distribution	5.2%	6.1%	6.3%	8.8%	8.7%
	Warehouse Office	0.5%	0.5%	0.0%	0.0%	0.0%
	Subtotal	3.9%	4.5%	5.0%	7.0%	6.9%
Milwaukee	Flex/R&D	20.9%	20.6%	19.0%	18.9%	19.0%
	Manufacturing	3.9%	4.6%	4.2%	4.1%	4.1%
	Warehouse Distribution	4.4%	3.0%	4.5%	3.7%	3.6%
	Warehouse Office	6.0%	6.1%	5.2%	5.3%	5.8%
	Subtotal	4.9%	4.9%	4.9%	4.6%	4.7%
Ozaukee	Flex/R&D	9.5%	6.1%	4.9%	6.4%	6.4%
	Manufacturing	4.1%	1.9%	2.4%	2.2%	1.7%
	Warehouse Distribution	0.3%	0.3%	0.3%	0.3%	0.3%
	Warehouse Office	2.6%	2.4%	2.7%	3.1%	2.7%
	Subtotal	3.5%	2.0%	2.2%	2.3%	1.9%
Racine	Flex/R&D	6.0%	6.0%	5.3%	5.3%	5.3%
	Manufacturing	0.9%	1.0%	0.1%	0.1%	0.2%
	Warehouse Distribution	5.4%	5.0%	11.1%	12.5%	13.9%
	Warehouse Office	10.1%	9.6%	17.5%	17.5%	17.5%
	Subtotal	3.8%	3.6%	6.6%	7.1%	7.6%
Sheboygan	Flex/R&D	32.8%	32.8%	16.3%	16.3%	16.3%
	Manufacturing	0.2%	0.2%	0.2%	0.1%	0.1%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	0.2%	0.2%	0.2%	0.1%	0.1%
Walworth	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	0.3%	0.2%	0.2%	0.2%	0.6%
	Warehouse Distribution	5.0%	2.4%	0.0%	0.0%	0.0%
	Warehouse Office	2.0%	2.0%	2.0%	2.0%	1.8%
	Subtotal	1.5%	0.9%	0.4%	0.4%	0.7%
Washington	Flex/R&D	0.0%	6.8%	6.8%	6.8%	4.5%
	Manufacturing	0.6%	0.4%	0.4%	0.4%	0.8%
	Warehouse Distribution	6.2%	6.0%	3.2%	2.2%	2.1%
	Warehouse Office	2.3%	2.1%	1.9%	1.8%	1.8%
	Subtotal	2.7%	2.6%	1.7%	1.3%	1.5%
Waukesha	Flex/R&D	2.6%	2.9%	2.9%	2.7%	2.9%
	Manufacturing	1.4%	1.1%	0.3%	0.3%	0.5%
	Warehouse Distribution	0.7%	0.5%	0.5%	1.4%	2.2%
	Warehouse Office	2.1%	2.1%	1.6%	1.8%	0.7%
	Subtotal	1.5%	1.4%	0.9%	1.1%	1.1%
Grand Total		3.2%	3.1%	3.3%	3.5%	3.6%

Lease Rates by County (Multi and Single Tenant)

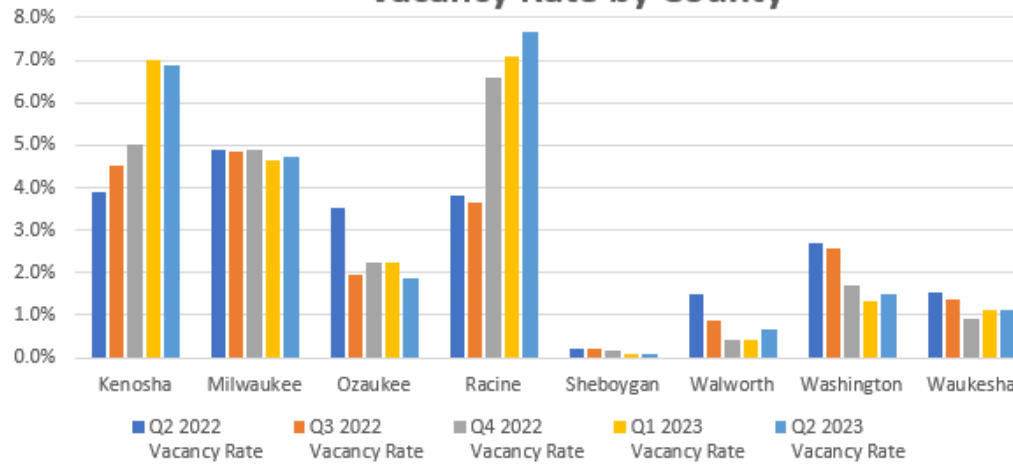
County	Property Type	Q2 2022 Lease Rate	Q3 2022 Lease Rate	Q4 2022 Lease Rate	Q1 2023 Lease Rate	Q2 2023 Lease Rate
Kenosha	Flex/R&D	\$7.38	\$7.38			
	Manufacturing					
	Warehouse Distribution	\$5.50	\$5.50	\$5.50	\$5.50	\$6.25
	Warehouse Office					
	Subtotal	\$6.13	\$6.13	\$5.50	\$5.50	\$6.25
Milwaukee	Flex/R&D	\$6.70	\$6.57	\$6.72	\$7.04	\$7.12
	Manufacturing	\$4.40	\$4.41	\$4.87	\$4.98	\$4.92
	Warehouse Distribution	\$5.33	\$5.47	\$5.47	\$5.32	\$5.37
	Warehouse Office	\$5.32	\$5.13	\$5.10	\$5.09	\$5.45
	Subtotal	\$5.24	\$5.16	\$5.30	\$5.36	\$5.55
Ozaukee	Flex/R&D	\$8.22	\$9.15	\$9.15	\$8.88	\$8.92
	Manufacturing	\$4.63	\$3.50	\$4.43	\$3.50	\$3.50
	Warehouse Distribution	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50
	Warehouse Office	\$7.63	\$9.75	\$9.35	\$9.81	\$9.75
	Subtotal	\$7.11	\$8.32	\$8.14	\$8.25	\$8.13
Racine	Flex/R&D	\$11.25	\$11.25	\$11.25	\$11.25	
	Manufacturing	\$6.00	\$6.00	\$4.98	\$4.98	\$5.23
	Warehouse Distribution	\$5.46	\$4.70	\$4.70	\$4.70	\$4.70
	Warehouse Office					
	Subtotal	\$6.52	\$6.66	\$6.12	\$6.12	\$4.96
Sheboygan	Flex/R&D	\$4.85	\$4.85			
	Manufacturing				\$5.85	\$5.74
	Warehouse Distribution					
	Warehouse Office				\$5.83	\$5.83
	Subtotal	\$4.85	\$4.85		\$5.84	\$5.78
Walworth	Flex/R&D					
	Manufacturing	\$4.00	\$4.25	\$4.82	\$4.82	\$4.75
	Warehouse Distribution	\$4.50	\$5.25		\$5.50	\$5.50
	Warehouse Office	\$6.75	\$8.50	\$8.50	\$7.50	\$7.23
	Subtotal	\$5.20	\$5.56	\$5.74	\$5.83	\$5.70
Washington	Flex/R&D	\$6.58	\$6.58	\$5.38	\$5.38	\$5.67
	Manufacturing	\$4.44	\$4.25	\$3.63	\$3.63	\$3.92
	Warehouse Distribution	\$5.11	\$5.88	\$5.88	\$5.88	\$5.00
	Warehouse Office	\$6.57	\$6.19	\$6.03	\$6.15	\$6.52
	Subtotal	\$5.90	\$5.82	\$5.32	\$5.55	\$5.60
Waukesha	Flex/R&D	\$7.64	\$7.79	\$8.08	\$8.17	\$8.13
	Manufacturing	\$5.38	\$6.31	\$6.40	\$5.95	\$5.47
	Warehouse Distribution	\$7.05	\$7.65	\$7.65	\$6.99	\$8.24
	Warehouse Office	\$7.10	\$6.82	\$6.97	\$6.84	\$7.11
	Subtotal	\$7.20	\$7.21	\$7.37	\$7.48	\$7.60
Grand Total		\$6.00	\$6.08	\$6.19	\$6.26	\$6.37

Multi and Single Tenant

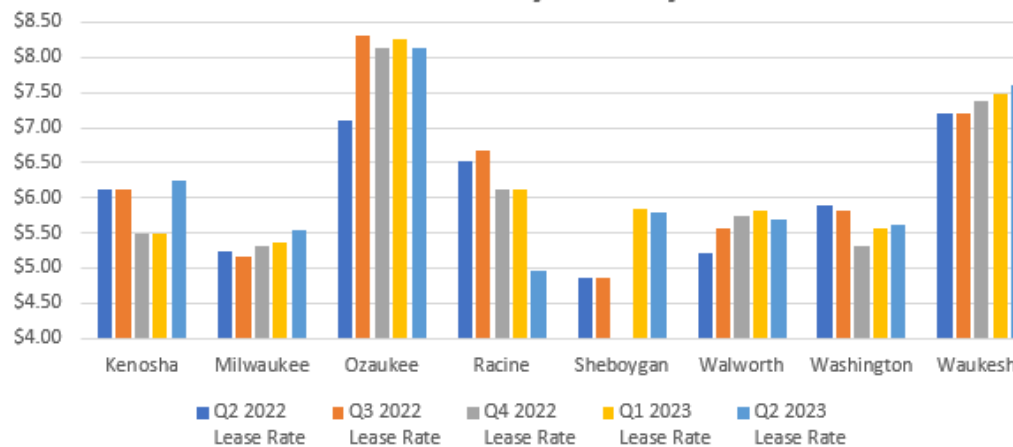
Available and Vacancy Rates



Vacancy Rate by County



Lease Rates by County (NNN)



Market Overview (Multi-Tenant)

Total

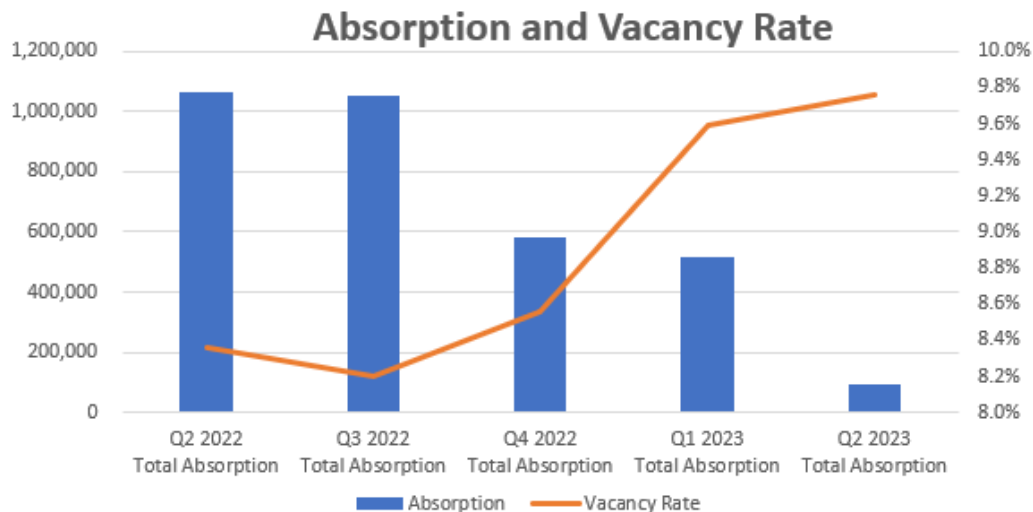
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	232	9,992,397	961,038	770,526	(1,681)	2,039	7.7%
Manufacturing	164	18,489,071	1,676,184	1,190,474	(7,000)	87,281	6.4%
Warehouse Distribution	233	40,534,236	6,713,558	5,358,185	(95,493)	295,168	13.2%
Warehouse Office	577	23,117,712	2,881,020	1,675,493	198,892	224,377	7.2%
Grand Total	1,206	92,133,416	12,231,800	8,994,678	94,718	608,865	9.8%

Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	232	9,992,397	935,692	761,974	(1,681)	2,427	7.6%
Manufacturing	164	18,489,071	1,600,890	1,115,180	(7,000)	87,281	6.0%
Warehouse Distribution	233	40,534,236	6,145,527	5,296,385	(43,493)	347,168	13.1%
Warehouse Office	577	23,117,712	2,753,032	1,584,505	198,892	224,377	6.9%
Grand Total	1,206	92,133,416	11,435,141	8,758,044	146,718	661,253	9.5%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	232	9,992,397	25,346	8,552	0	(388)	0.1%
Manufacturing	164	18,489,071	75,294	75,294	0	0	0.4%
Warehouse Distribution	233	40,534,236	568,031	61,800	(52,000)	(52,000)	0.2%
Warehouse Office	577	23,117,712	127,988	90,988	0	0	0.4%
Grand Total	1,206	92,133,416	796,659	236,634	(52,000)	(52,388)	0.3%



Market Statistics by County (Multi-Tenant)

County	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Kenosha	Flex/R&D	7	652,311			0	0	0.0%
	Manufacturing	6	1,333,434	135,074	135,074	0	0	10.1%
	Warehouse Distribution	34	10,993,375	3,308,847	3,082,069	0	284,103	28.0%
	Warehouse Office	11	657,354	228,980		0	0	0.0%
	Subtotal	58	13,636,474	3,672,901	3,217,143	0	284,103	23.6%
Milwaukee	Flex/R&D	49	2,435,508	538,810	453,655	(2,205)	(936)	18.6%
	Manufacturing	64	10,071,631	1,281,438	856,022	0	100,000	8.5%
	Warehouse Distribution	99	13,734,788	1,448,523	1,070,644	41,451	69,398	7.8%
	Warehouse Office	199	10,047,913	1,717,032	1,000,210	(30,245)	(6,418)	10.0%
	Subtotal	411	36,289,840	4,985,803	3,380,531	9,001	162,044	9.3%
Ozaukee	Flex/R&D	19	614,555	53,764	42,815	178	(10,922)	7.0%
	Manufacturing	9	1,021,129	98,956	98,956	0	0	9.7%
	Warehouse Distribution	2	474,845	6,001	6,001	0	0	1.3%
	Warehouse Office	20	965,993	73,030	53,030	0	0	5.5%
	Subtotal	50	3,076,522	231,751	200,802	178	(10,922)	6.5%
Racine	Flex/R&D	7	349,966	35,290	35,290	0	0	10.1%
	Manufacturing	11	1,291,078	15,000	15,000	(7,000)	(9,386)	1.2%
	Warehouse Distribution	26	5,308,441	629,900	586,900	(3,400)	(3,400)	11.1%
	Warehouse Office	26	1,477,202	459,568	443,180	0	0	30.0%
	Subtotal	70	8,426,687	1,139,758	1,080,370	(10,400)	(12,786)	12.8%
Sheboygan	Flex/R&D	1	30,720		5,000	0	0	16.3%
	Manufacturing	8	739,874			0	0	0.0%
	Warehouse Distribution	3	725,595	221,029		0	0	0.0%
	Warehouse Office	12	434,146	9,625		0	0	0.0%
	Subtotal	24	1,930,335	230,654	5,000	0	0	0.3%
Walworth	Flex/R&D	3	55,027			0	0	0.0%
	Manufacturing	3	82,001	40,294		0	0	0.0%
	Warehouse Distribution	5	523,862			0	0	0.0%
	Warehouse Office	9	408,412	25,000	25,000	0	0	6.1%
	Subtotal	20	1,069,302	65,294	25,000	0	0	2.3%
Washington	Flex/R&D	10	429,042	32,715	23,644	12,524	12,524	5.5%
	Manufacturing	18	717,380	59,000	39,000	0	0	5.4%
	Warehouse Distribution	16	3,458,566	673,875	213,438	4,033	106,394	6.2%
	Warehouse Office	54	1,504,853	135,191	78,751	1,063	(6,187)	5.2%
	Subtotal	98	6,109,841	900,781	354,833	17,620	112,731	5.8%
Waukesha	Flex/R&D	136	5,425,268	300,459	210,122	(12,178)	1,373	3.9%
	Manufacturing	45	3,232,544	46,422	46,422	0	(3,333)	1.4%
	Warehouse Distribution	48	5,314,764	425,383	399,133	(137,577)	(161,327)	7.5%
	Warehouse Office	246	7,621,839	232,594	75,322	228,074	236,982	1.0%
	Subtotal	475	21,594,415	1,004,858	730,999	78,319	73,695	3.4%
Grand Total		1,206	92,133,416	12,231,800	8,994,678	94,718	608,865	9.8%

Vacancy Rates by County (Multi-Tenant)

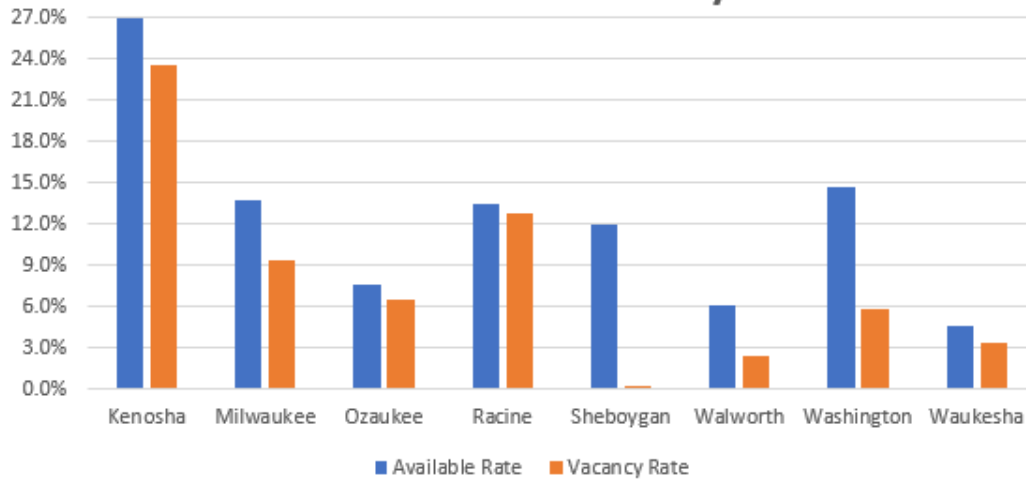
County	Property Type	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
		Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
Kenosha	Flex/R&D	1.2%	1.2%	0.0%	0.0%	0.0%
	Manufacturing	0.0%	0.0%	10.1%	10.1%	10.1%
	Warehouse Distribution	17.1%	19.4%	21.7%	28.0%	28.0%
	Warehouse Office	2.2%	2.2%	0.0%	0.0%	0.0%
	Subtotal	13.4%	15.4%	18.2%	23.6%	23.6%
Milwaukee	Flex/R&D	20.0%	19.5%	18.6%	18.5%	18.6%
	Manufacturing	8.0%	8.0%	9.5%	8.5%	8.5%
	Warehouse Distribution	8.5%	4.9%	8.3%	8.1%	7.8%
	Warehouse Office	11.3%	11.5%	9.8%	9.7%	10.0%
	Subtotal	9.9%	8.6%	9.7%	9.4%	9.3%
Ozaukee	Flex/R&D	10.2%	6.5%	5.2%	7.0%	7.0%
	Manufacturing	9.7%	9.7%	9.7%	9.7%	9.7%
	Warehouse Distribution	1.3%	1.3%	1.3%	1.3%	1.3%
	Warehouse Office	5.4%	4.8%	5.5%	5.5%	5.5%
	Subtotal	7.1%	6.2%	6.2%	6.5%	6.5%
Racine	Flex/R&D	11.1%	11.1%	10.1%	10.1%	10.1%
	Manufacturing	0.4%	0.4%	0.4%	0.6%	1.2%
	Warehouse Distribution	4.7%	3.8%	3.8%	7.4%	11.1%
	Warehouse Office	31.7%	30.0%	30.0%	30.0%	30.0%
	Subtotal	9.2%	8.3%	8.2%	10.5%	12.8%
Sheboygan	Flex/R&D	32.8%	32.8%	16.3%	16.3%	16.3%
	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	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	0.5%	0.5%	0.3%	0.3%	0.3%
Walworth	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	28.0%	13.5%	0.0%	0.0%	0.0%
	Warehouse Office	6.1%	6.1%	6.1%	6.1%	6.1%
	Subtotal	16.1%	8.9%	2.3%	2.3%	2.3%
Washington	Flex/R&D	0.0%	8.4%	8.4%	8.4%	5.5%
	Manufacturing	5.4%	5.4%	5.4%	5.4%	5.4%
	Warehouse Distribution	4.2%	17.6%	9.2%	6.3%	6.2%
	Warehouse Office	5.9%	5.2%	4.8%	5.3%	5.2%
	Subtotal	4.5%	12.3%	7.7%	6.1%	5.8%
Waukesha	Flex/R&D	3.6%	3.9%	3.9%	3.6%	3.9%
	Manufacturing	5.0%	1.0%	1.3%	1.4%	1.4%
	Warehouse Distribution	2.4%	1.7%	1.7%	4.9%	7.5%
	Warehouse Office	5.1%	4.9%	3.1%	3.0%	1.0%
	Subtotal	4.0%	3.3%	2.7%	3.4%	3.4%
Grand Total		8.4%	8.2%	8.6%	9.6%	9.8%

Lease Rates by County (Multi-Tenant)

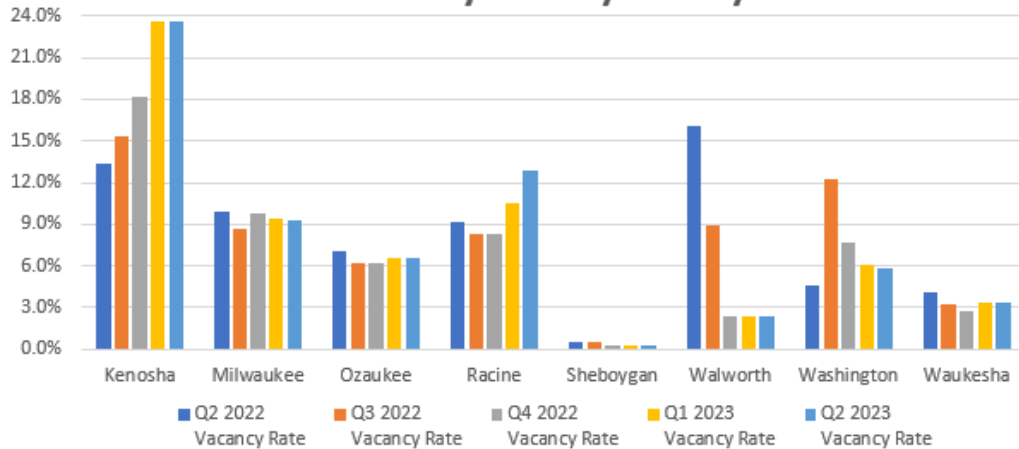
County	Property Type	Q2 2022 Lease Rate	Q3 2022 Lease Rate	Q4 2022 Lease Rate	Q1 2023 Lease Rate	Q2 2023 Lease Rate
Kenosha	Flex/R&D	\$7.38	\$7.38			
	Manufacturing					
	Warehouse Distribution	\$5.50	\$5.50	\$5.50	\$5.50	\$6.25
	Warehouse Office					
	Subtotal	\$6.13	\$6.13	\$5.50	\$5.50	\$6.25
Milwaukee	Flex/R&D	\$6.76	\$6.61	\$6.72	\$7.04	\$7.12
	Manufacturing	\$3.85	\$3.83	\$4.01	\$3.94	\$3.83
	Warehouse Distribution	\$5.24	\$5.37	\$5.32	\$5.32	\$5.37
	Warehouse Office	\$4.76	\$4.85	\$4.97	\$4.94	\$5.04
	Subtotal	\$4.97	\$5.03	\$5.18	\$5.21	\$5.28
Ozaukee	Flex/R&D	\$8.22	\$9.15	\$9.15	\$8.88	\$8.92
	Manufacturing					
	Warehouse Distribution	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50
	Warehouse Office	\$8.50	\$11.25	\$10.00	\$11.25	\$11.25
	Subtotal	\$7.87	\$9.23	\$9.01	\$9.15	\$9.13
Racine	Flex/R&D	\$11.25	\$11.25	\$11.25	\$11.25	
	Manufacturing	\$6.00	\$6.00	\$6.00	\$6.00	\$6.50
	Warehouse Distribution	\$5.46	\$4.70	\$4.70	\$4.70	\$4.70
	Warehouse Office					
	Subtotal	\$6.52	\$6.66	\$6.66	\$6.66	\$5.30
Sheboygan	Flex/R&D	\$4.85	\$4.85			
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office				\$5.83	\$5.83
	Subtotal	\$4.85	\$4.85		\$5.83	\$5.83
Walworth	Flex/R&D					
	Manufacturing	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75
	Warehouse Distribution	\$4.50	\$5.25			
	Warehouse Office					
	Subtotal	\$3.63	\$4.00	\$2.75	\$2.75	\$2.75
Washington	Flex/R&D	\$6.58	\$6.58	\$5.38	\$5.38	\$5.67
	Manufacturing	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63
	Warehouse Distribution	\$5.11	\$5.88	\$5.88	\$5.88	\$5.00
	Warehouse Office	\$6.92	\$6.52	\$7.00	\$6.84	\$6.95
	Subtotal	\$6.06	\$5.89	\$5.25	\$5.71	\$5.57
Waukesha	Flex/R&D	\$7.64	\$7.79	\$8.08	\$8.17	\$8.13
	Manufacturing	\$5.95	\$6.08	\$5.95	\$5.95	\$5.95
	Warehouse Distribution	\$7.05	\$7.65	\$7.65	\$6.99	\$8.24
	Warehouse Office	\$7.35	\$6.83	\$6.80	\$6.89	\$7.16
	Subtotal	\$7.38	\$7.32	\$7.45	\$7.56	\$7.73
Grand Total		\$5.99	\$6.15	\$6.19	\$6.31	\$6.45

Multi-Tenant

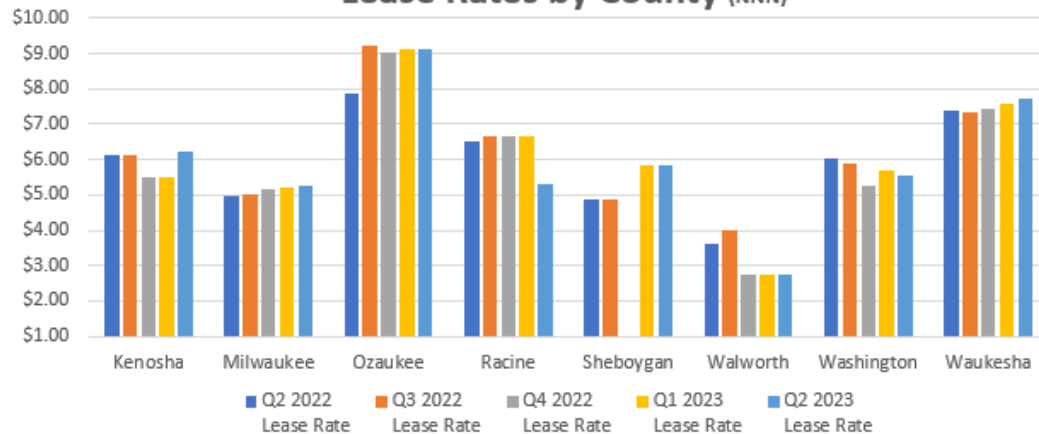
Available and Vacancy Rates



Vacancy Rate by County

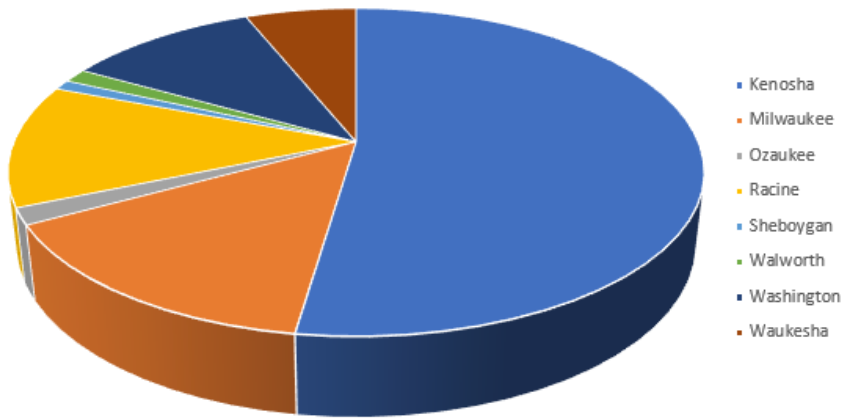


Lease Rates by County (NNN)



New Developments

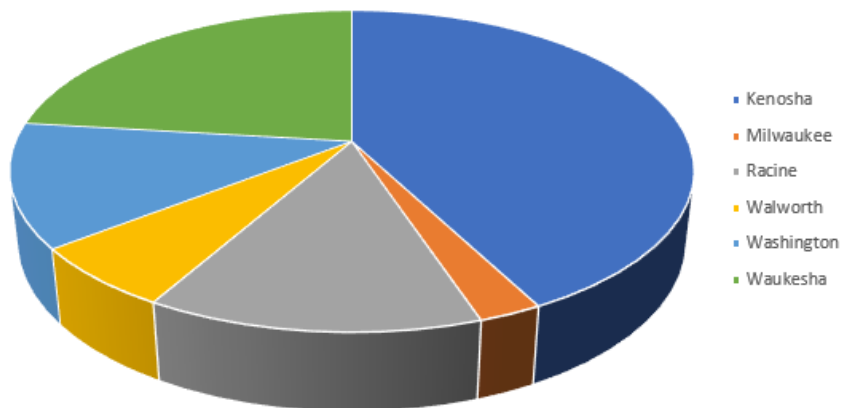
Under Construction (sf)



County	Bldg (sf)
Kenosha	5,346,477
Milwaukee	1,502,349
Ozaukee	165,868
Racine	1,241,144
Sheboygan	100,800
Walworth	140,000
Washington	1,092,134
Waukesha	628,120
Grand Total	10,216,892

Year to Date Deliveries

YTD Delivered (sf)

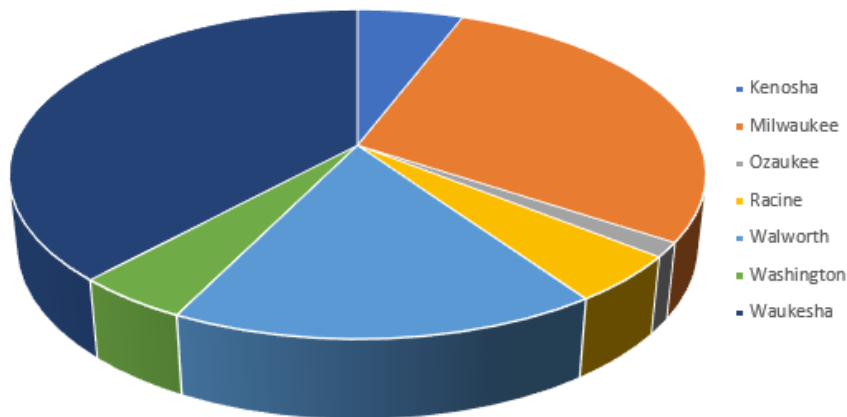


County	Bldg (sf)
Kenosha	1,246,493
Milwaukee	75,000
Racine	393,440
Walworth	183,200
Washington	366,392
Waukesha	680,361
Grand Total	2,944,886

Leasing Activity

Property	Size (sf)	County	Tenant	Landlord
2800-2900 S 160th St	183,480	Waukesha	Sterling Products, Inc	2900 S 160th Owner, LP
104 Hill Ct	183,200	Walworth	Zero Zone Inc	Hill Court Partners Reload LLC
6120 S Ace Industrial Dr	56,400	Milwaukee	Air Express International USA, Inc	OCP Milwaukee Buildings H LLC
9501 80th Ave	49,908	Kenosha	Nasco Sampling LLC	HS Fund VI ZL Portfolio Investors LLC
W169 N5954 Ridgewood Dr	43,459	Waukesha	Spencer Technologies, Inc.	Depot One Partners LLC

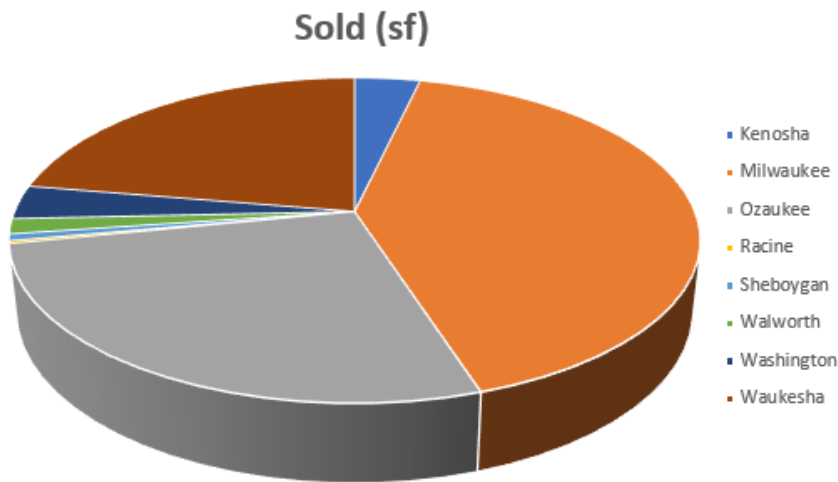
Leased (sf)



County	Leased (sf)
Kenosha	62,808
Milwaukee	308,271
Ozaukee	15,335
Racine	50,397
Walworth	183,200
Washington	49,052
Waukesha	412,787
Grand Total	1,081,850

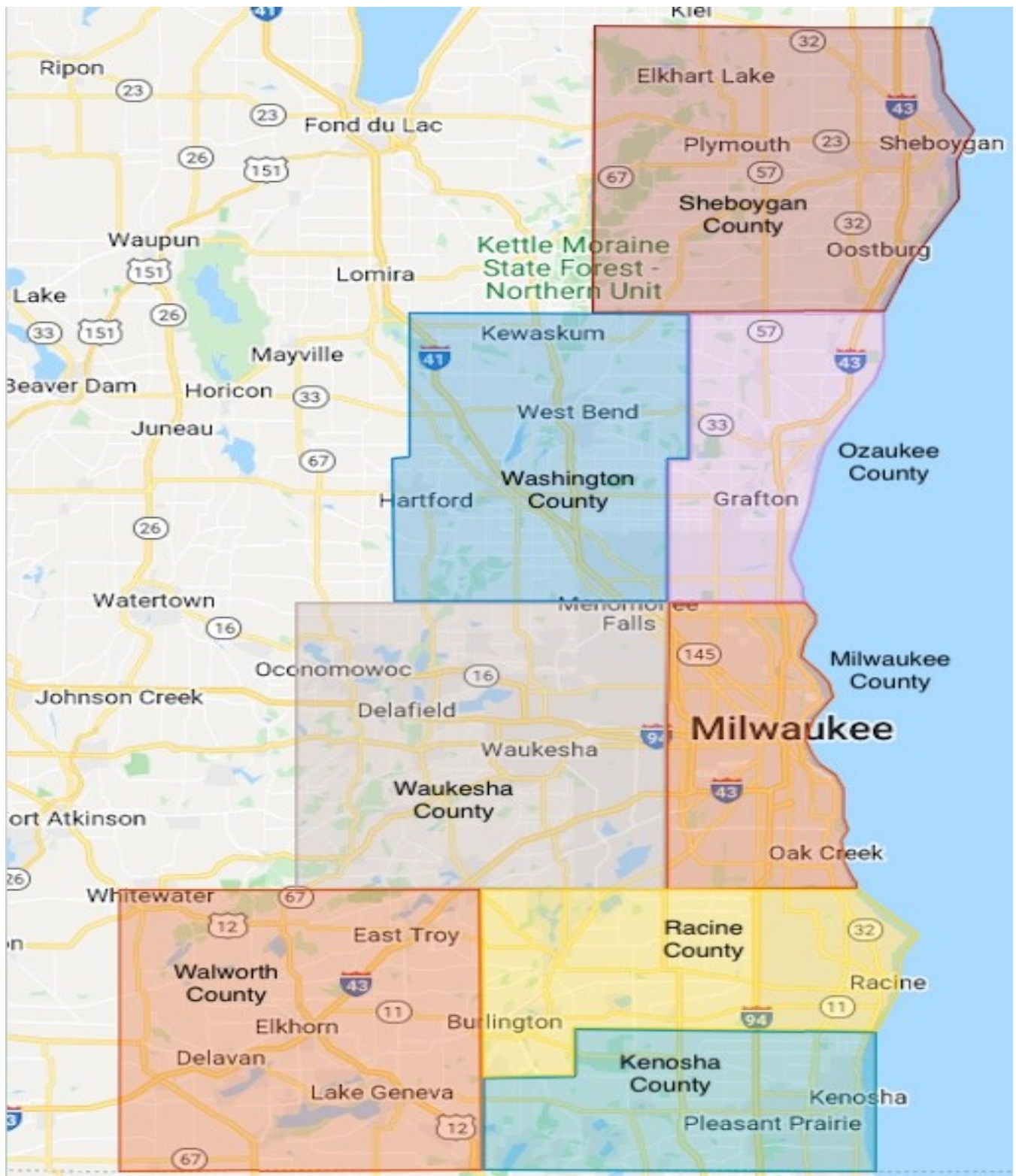
Sales Activity

Property	Price	County	Buyer	Seller
6100 N Baker Rd	\$5,435,000	Milwaukee	2022 Florist, LLC	Grandview Park Partners, LLC
1300 Glenview Pl	\$5,150,000	Milwaukee	House 7 LLC	Western Moulding Co Inc
20580 Enterprise Ave	\$4,900,000	Waukesha	MRU Brookfield, LLC	Pentair Residential Filtration, LLC
4066 N Port Washington Rd	\$4,100,000	Milwaukee	Arrowhead Eldredge LLC	Sewart Investments LLC
3015 S 163rd St	\$3,650,000	Waukesha	Bluebird New Berlin, LLC	Century Properties XIV



County	Sold (sf)
Kenosha	60,889
Milwaukee	693,933
Ozaukee	450,248
Racine	4,398
Sheboygan	11,146
Walworth	25,340
Washington	56,314
Waukesha	374,842
Grand Total	1,677,110

Market County Map



Methodology

The Milwaukee market consists of all industrial existing buildings 10,000 sf or larger in Southeast Wisconsin. The geographic area includes Milwaukee, Waukesha, Ozaukee, Washington, Sheboygan, Walworth, Racine and Kenosha counties. Property types included in the tracked set consist of Flex/R&D, Manufacturing, Warehouse/Office and Warehouse/Distribution. The tracked set does not include self-storage facilities and non-conforming property types such as grain elevators or fuel storage facilities. Statistically, net absorption will be calculated based on when a tenant occupies their new space or space is vacated during the current quarter. Asking lease rates are based on an average asking rate and noted on a NNN basis.

The Milwaukee 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

Direct Vacant (sf)	The total vacant square footage in a building marketed by an agent representing the landlord
Inventory	The total square footage (sf) of all tracked single and multi-tenant industrial buildings 10,000 sf or larger
Net Absorption	The net change in when a tenant occupies their new space or space is vacated from quarter to quarter, expressed in square feet.
Property Type	The classification of a property based on the specific use
Sublease (sf)	Space available for lease by a tenant for part or all of a leased premises, with the original tenant retaining some right or interest under the original lease. Space is only considered vacant if unoccupied
Total Available (sf)	Total of all space within a building marketed for lease, which can be occupied or vacant, direct or sublease
Total Vacant (sf)	Total of all unoccupied space within a building marketed for lease, which can be direct or sublease
Average Asking Rate	The average asking lease rate expressed as a per square foot value in NNN terms

Advisory Board Members

The Barry Company	Kevin Barry, CCIM	JLL	Joe Carollo
CBRE	Scott Furmanski	Judson & Associates	Tony Haning
	Alissa Harwood		Matt Judson
	Trent Poole		Cole Russell
Colliers	Kyle Fink	Newmark	Mitchell Starczynski
	Jim Larkin	Ogden	Luke Fehrenbach
Cushman & Wakefield Boerke	Nick Unger		Bob Gintoft
	Cody Ziegler		Matt Friedman
Founders 3	Brett Deter	Paradigm	Jim Johnson
	Paul McBride		Brian Parrish

Research Advisory Board Members

CBRE	Madeline Strehlow	Cushman & Wakefield Boerke	Katie Gremban
	Maggie Blair		Dan Palec
Colliers	Jake Best	Founders 3	Elizabeth Pancratz
	Will Braxton	JLL	Alex Westcott
	Laura Russell	Newmark	Nate Winkel

REDIComps Team

Jeremy Bengtson	CEO	jeremy@redicomps.com	
Chris Allen	Regional Director of Analytics	chris@redicomps.com	952-456-1669
Kim Platz	Regional Director of Research	kim@redicomps.com	816-651-6686
Molly Bengtson	Director of Client Services	molly@redicomps.com	715-475-9876
Leann Reichertz	Wisconsin Sale Comp Specialist	leann@redicomps.com	
Summer Jones	Wisconsin Listing Specialist	summer@redicomps.com	816-726-1133
Michelle Siegert	Wisconsin Listing Specialist	michelle@redicomps.com	816-230-0116
Tracy Johnson	President & CEO - CARW	tracy@carw.com	414-271-2021