

Market

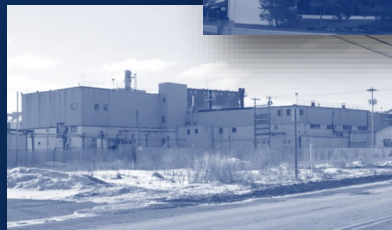
Trends

Q2 2023

Milwaukee - Office



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MARKET TRENDS

Q2 2023 | Milwaukee | Office

Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	785,271	
Area Unemployment	3.1	
U.S. Unemployment	3.6	
Office Using Jobs	177,800	

Source: BLS

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

Market Recap

All Properties

Total Inventory <small>(sf)</small>	45,220,183
Total # of Bldgs <small>(tracked)</small>	560
Absorption	3,129
Vacancy	16.3%
Asking Rate <small>(FSG)</small>	\$20.70
New Construction <small>(sf)</small>	102,305

Multi-tenant Properties

Total Inventory <small>(sf)</small>	30,500,948
Total # of Bldgs <small>(tracked)</small>	424
Absorption	76,675
Vacancy	22.1%
Asking Rate <small>(FSG)</small>	\$20.73

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 office using jobs decreased by 8,200 during the same period.

Market Overview

The Milwaukee office market consisting of 45 msf of space has posted 3,000 sf positive absorption for Q2 2023 bringing the YTD to 125,900 sf positive absorption. Multi-tenant only properties had 76,600 sf positive absorption bringing the YTD to 11,700 sf positive absorption for the quarter. The vacancy rate came in at 16.3% during Q2 2023 for multi and single tenant properties while multi-tenant properties had a vacancy rate of 22.1%.

Market Highlights

Brookfield had the largest increase with 36,300 sf positive absorption led by Old Republic Surety leasing 31,500 sf. Third Ward - Walkers Point topped all markets with (52,900) sf negative absorption led by Eversana vacating 42,000 sf. This quarter Milwaukee CBD posted (67,400) sf negative absorption compared to the suburban markets posting 70,000 sf positive absorption. There are currently 3 properties under construction totaling 102,000 sf and 2 properties delivered YTD totaling 228,000 sf. There were 102 lease transactions with 440,000 sf during Q2 2023. Twenty two office properties with 295,000 sf sold for \$23.6 million.

Market Overview by Class (Multi and Single Tenant)

Total

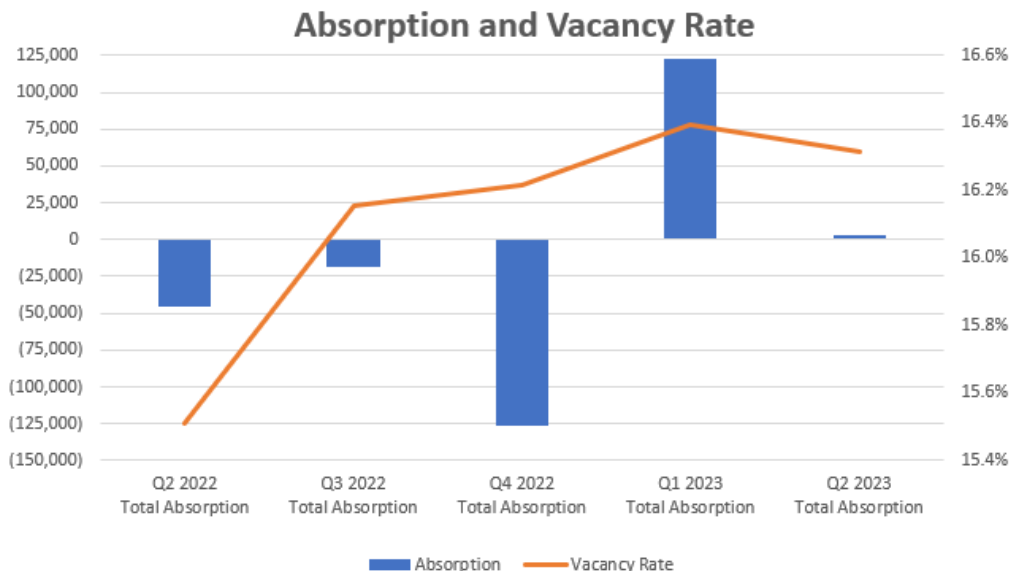
Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
A	54	12,056,855	2,331,206	1,762,466	59,143	234,412	14.6%
B	459	31,144,699	6,904,220	5,479,226	(56,963)	(109,396)	17.6%
C	47	2,018,629	163,449	135,248	949	949	6.7%
Grand Total	560	45,220,183	9,398,875	7,376,940	3,129	125,965	16.3%

Direct

Bldg Class	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
A	54	12,056,855	2,106,425	1,687,006	61,315	232,540	14.0%
B	459	31,144,699	6,354,940	5,117,427	(56,963)	(134,382)	16.4%
C	47	2,018,629	159,885	135,248	949	949	6.7%
Grand Total	560	45,220,183	8,621,250	6,939,681	5,301	99,107	15.3%

Sublease

Bldg Class	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
A	54	12,056,855	224,781	75,460	(2,172)	1,872	0.6%
B	459	31,144,699	549,280	361,799	0	24,986	1.2%
C	47	2,018,629	3,564		0	0	0.0%
Grand Total	560	45,220,183	777,625	437,259	(2,172)	26,858	1.0%



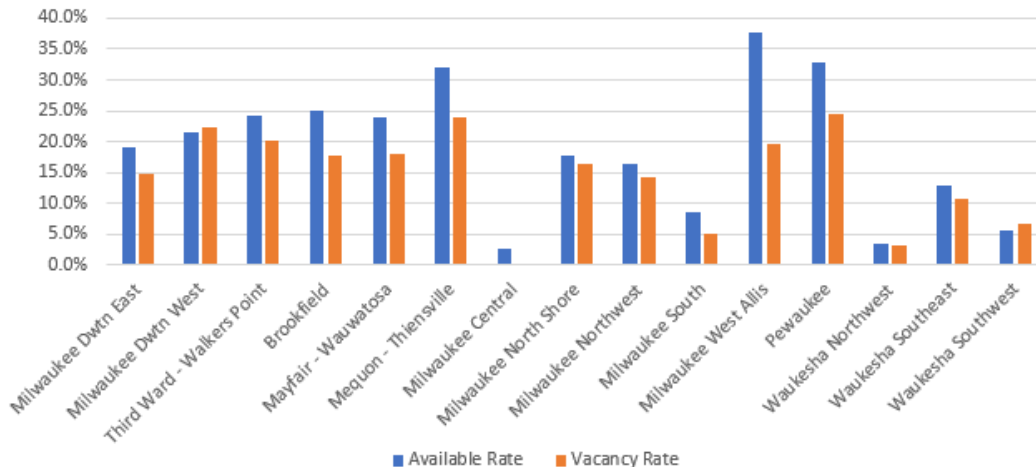
Market Statistics by Market (Multi and Single Tenant)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Milwaukee Downtown East	A	14	5,961,922	1,130,918	842,678	17,691	23,424	14.1%
	B	39	4,844,227	927,364	743,396	(19,369)	(25,101)	15.3%
	C	4	146,389	27,550	22,500	0	0	15.4%
	Subtotal	57	10,952,538	2,085,832	1,608,574	(1,678)	(1,677)	14.7%
Milwaukee Downtown West	A	2	348,371	75,427	62,427	0	0	17.9%
	B	32	4,463,856	968,136	1,013,203	(12,750)	2,674	22.7%
	C	3	234,311	45,000	45,000	0	0	19.2%
	Subtotal	37	5,046,538	1,088,563	1,120,630	(12,750)	2,674	22.2%
Third Ward - Walkers Point	A	5	739,907	161,024	167,073	7,598	170,301	22.6%
	B	39	2,291,664	560,456	426,532	(60,572)	(53,766)	18.6%
	C	4	120,713	42,963	42,963	0	0	35.6%
	Subtotal	48	3,152,284	764,443	636,568	(52,974)	116,535	20.2%
Milwaukee CBD	A	21	7,050,200	1,367,369	1,072,178	25,289	193,725	15.2%
	B	110	11,599,747	2,455,956	2,183,131	(92,691)	(76,193)	18.8%
	C	11	501,413	115,513	110,463	0	0	22.0%
	Subtotal	142	19,151,360	3,938,838	3,365,772	(67,402)	117,532	17.6%
Brookfield	A	6	548,824	52,204	36,650	4,406	4,571	6.7%
	B	93	5,599,021	1,509,872	1,069,866	31,952	(79,394)	19.1%
	C	4	118,873	5,000		0	0	0.0%
	Subtotal	103	6,266,718	1,567,076	1,106,516	36,358	(74,823)	17.7%
Mayfair - Wauwatosa	A	15	2,098,871	560,695	361,280	18,688	33,025	17.2%
	B	29	1,445,029	338,230	319,625	(4,121)	(17,520)	22.1%
	C	7	303,574	26,054	12,785	0	0	4.2%
	Subtotal	51	3,847,474	924,979	693,690	14,567	15,505	18.0%
Mequon - Thiensville	A	1	37,670	6,237	6,237	10,013	10,013	16.6%
	B	15	425,823	142,680	104,878	9,412	5,984	24.6%
	Subtotal	16	463,493	148,917	111,115	19,425	15,997	24.0%
Milwaukee Central	B	9	691,988	32,000		0	0	0.0%
	C	10	562,925			0	0	0.0%
	Subtotal	19	1,254,913	32,000		0	0	0.0%
Milwaukee North Shore	A	2	175,962	134,828	116,513	0	910	66.2%
	B	33	1,974,754	276,691	271,087	(1,435)	(7,420)	13.7%
	C	7	271,978	16,882	12,000	949	949	4.4%
	Subtotal	42	2,422,694	428,401	399,600	(486)	(5,561)	16.5%

Market Statistics by Market (Multi and Single Tenant—Cont)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Milwaukee Northwest	A	4	1,090,478	46,899	46,899	0	0	4.3%
	B	50	3,326,552	672,217	585,974	(28,630)	(31,101)	17.6%
	Subtotal	54	4,417,030	719,116	632,873	(28,630)	(31,101)	14.3%
Milwaukee South	A	1	680,266			0	0	0.0%
	B	21	886,376	141,765	85,319	2,349	10,647	9.6%
	C	2	91,658			0	0	0.0%
	Subtotal	24	1,658,300	141,765	85,319	2,349	10,647	5.1%
Milwaukee West Allis	B	19	1,846,834	717,336	374,266	(8,641)	(3,059)	20.3%
	C	2	61,785			0	0	0.0%
	Subtotal	21	1,908,619	717,336	374,266	(8,641)	(3,059)	19.6%
Pewaukee	A	4	374,584	162,974	122,709	747	(7,832)	32.8%
	B	30	1,607,085	487,050	361,161	12,572	11,066	22.5%
	Subtotal	34	1,981,669	650,024	483,870	13,319	3,234	24.4%
Waukesha Northwest - Lake Country	B	17	558,398	19,286	17,253	2,413	2,413	3.1%
	Subtotal	17	558,398	19,286	17,253	2,413	2,413	3.1%
Waukesha Southeast - New Berlin	B	16	539,691	70,062	57,505	0	53,445	10.7%
	Subtotal	16	539,691	70,062	57,505	0	53,445	10.7%
Waukesha Southwest	B	17	643,401	41,075	49,161	19,857	21,736	7.6%
	C	4	106,423			0	0	0.0%
	Subtotal	21	749,824	41,075	49,161	19,857	21,736	6.6%
Suburban	A	33	5,006,655	963,837	690,288	33,854	40,687	13.8%
	B	349	19,544,952	4,448,264	3,296,095	35,728	(33,203)	16.9%
	C	36	1,517,216	47,936	24,785	949	949	1.6%
	Subtotal	418	26,068,823	5,460,037	4,011,168	70,531	8,433	15.4%
Grand Total		560	45,220,183	9,398,875	7,376,940	3,129	125,965	16.3%

Available and Vacancy Rates



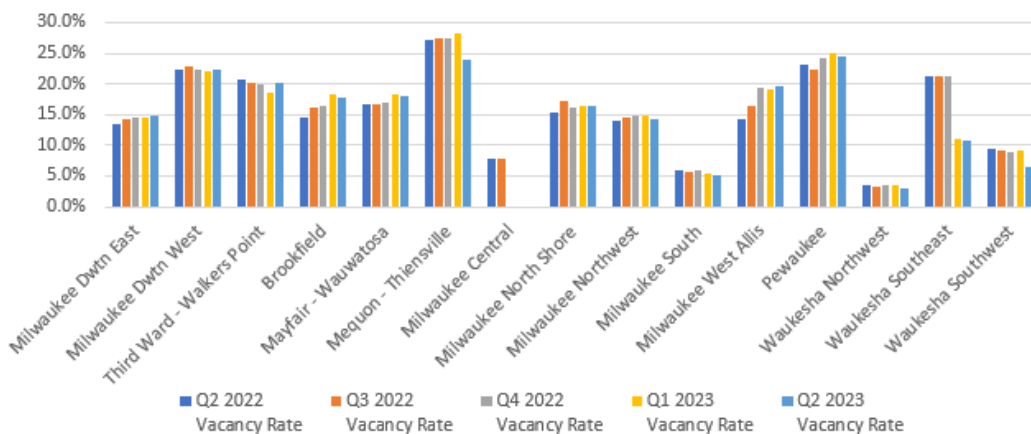
Vacancy Rates by Market (Multi and Single Tenant)

Market	Bldg Class	Q2 2022 Vacancy Rate	Q3 2022 Vacancy Rate	Q4 2022 Vacancy Rate	Q1 2023 Vacancy Rate	Q2 2023 Vacancy Rate
Milwaukee Downtown East	A	12.5%	14.0%	14.5%	14.4%	14.1%
	B	14.5%	14.4%	14.5%	14.8%	15.3%
	C	11.7%	15.4%	15.4%	15.4%	15.4%
	Subtotal	13.4%	14.2%	14.5%	14.6%	14.7%
Milwaukee Downtown West	A	17.9%	17.9%	17.9%	17.9%	17.9%
	B	22.9%	23.4%	22.9%	22.4%	22.7%
	C	19.2%	19.2%	19.2%	19.2%	19.2%
	Subtotal	22.4%	22.8%	22.4%	22.0%	22.2%
Third Ward - Walkers Point	A	38.8%	31.5%	30.8%	23.6%	22.6%
	B	16.1%	16.6%	16.3%	16.0%	18.6%
	C	35.6%	35.6%	35.6%	35.6%	35.6%
	Subtotal	20.6%	20.3%	19.9%	18.5%	20.2%
Milwaukee CBD	A	14.6%	15.7%	16.1%	15.6%	15.2%
	B	17.9%	18.2%	18.1%	17.9%	18.8%
	C	21.0%	22.0%	22.0%	22.0%	22.0%
	Subtotal	16.8%	17.4%	17.4%	17.2%	17.6%
Brookfield	A	6.3%	7.8%	7.5%	7.5%	6.7%
	B	15.5%	17.3%	17.6%	19.6%	19.1%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	14.6%	16.1%	16.4%	18.2%	17.7%
Mayfair - Wauwatosa	A	15.0%	14.9%	16.0%	18.1%	17.2%
	B	21.7%	21.8%	20.9%	21.8%	22.1%
	C	4.2%	4.2%	4.2%	4.2%	4.2%
	Subtotal	16.7%	16.7%	16.9%	18.4%	18.0%
Mequon - Thiensville	A	21.8%	43.1%	43.1%	43.1%	16.6%
	B	28.2%	26.0%	26.0%	26.8%	24.6%
	Subtotal	27.3%	27.4%	27.4%	28.2%	24.0%
Milwaukee Central	B	0.0%	0.0%	0.0%	0.0%	0.0%
	C	15.3%	15.3%	0.0%	0.0%	0.0%
	Subtotal	7.7%	7.7%	0.0%	0.0%	0.0%
Milwaukee North Shore	A	77.4%	77.4%	66.7%	66.2%	66.2%
	B	11.1%	13.5%	13.2%	13.7%	13.7%
	C	5.0%	4.4%	4.8%	4.8%	4.4%
	Subtotal	15.3%	17.2%	16.1%	16.5%	16.5%

Vacancy by Market (Multi and Single Tenant-Cont)

Market	Bldg Class	Q2 2022 Vacancy Rate	Q3 2022 Vacancy Rate	Q4 2022 Vacancy Rate	Q1 2023 Vacancy Rate	Q2 2023 Vacancy Rate
Milwaukee Northwest	A	5.0%	5.0%	4.3%	4.3%	4.3%
	B	16.8%	17.7%	18.0%	18.1%	17.6%
	Subtotal	13.9%	14.6%	14.7%	14.8%	14.3%
Milwaukee South	A	0.0%	0.0%	0.0%	0.0%	0.0%
	B	11.3%	10.8%	11.0%	9.9%	9.6%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	6.1%	5.8%	5.8%	5.3%	5.1%
Milwaukee West Allis	B	14.8%	17.1%	20.1%	19.8%	20.3%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	14.3%	16.5%	19.4%	19.2%	19.6%
Pewaukee	A	33.5%	30.7%	30.7%	33.0%	32.8%
	B	20.7%	20.6%	22.8%	23.3%	22.5%
	Subtotal	23.1%	22.5%	24.2%	25.1%	24.4%
Waukesha Northwest - Lake Country	B	3.6%	3.2%	3.5%	3.5%	3.1%
	Subtotal	3.6%	3.2%	3.5%	3.5%	3.1%
Waukesha Southeast - New Berlin	B	21.3%	21.3%	21.3%	11.1%	10.7%
	Subtotal	21.3%	21.3%	21.3%	11.1%	10.7%
Waukesha Southwest	B	10.7%	10.7%	10.3%	10.7%	7.6%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	9.3%	9.3%	8.9%	9.2%	6.6%
Suburban	A	13.8%	13.5%	13.4%	14.5%	13.8%
	B	15.3%	16.4%	16.9%	17.3%	16.9%
	C	7.8%	7.7%	1.7%	1.7%	1.6%
	Subtotal	14.6%	15.3%	15.3%	15.8%	15.4%
Grand Total		15.5%	16.2%	16.2%	16.4%	16.3%

Vacancy Rate by Market

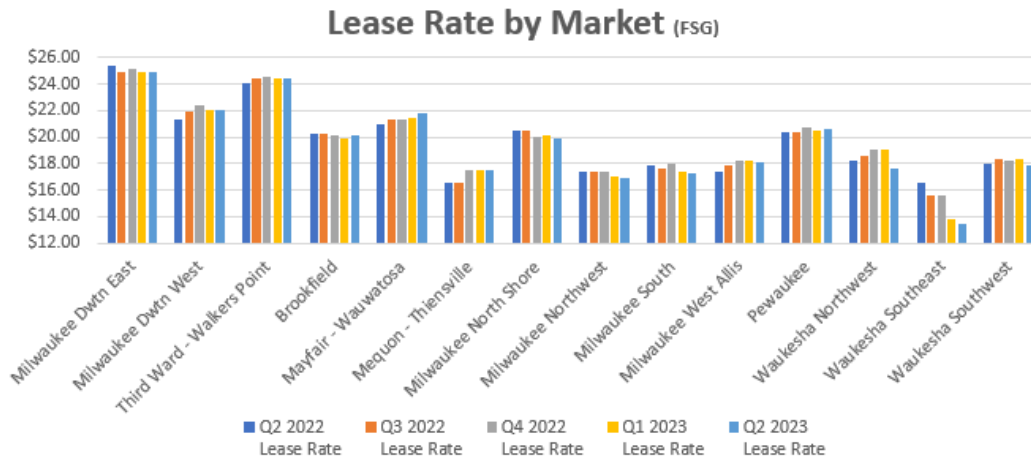


Lease Rates by Market (Multi and Single Tenant)

Market	Bldg Class	Q2 2022 Lease Rate	Q3 2022 Lease Rate	Q4 2022 Lease Rate	Q1 2023 Lease Rate	Q2 2023 Lease Rate
Milwaukee Downtown East	A	\$33.55	\$33.10	\$33.23	\$32.20	\$32.21
	B	\$21.57	\$21.55	\$21.85	\$21.55	\$21.66
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$25.43	\$24.91	\$25.15	\$24.96	\$24.89
Milwaukee Downtown West	A	\$26.48		\$28.10		
	B	\$20.87	\$21.88	\$22.01	\$22.01	\$22.04
	C					
	Subtotal	\$21.34	\$21.88	\$22.41	\$22.01	\$22.04
Third Ward - Walkers Point	A	\$30.13	\$30.13	\$30.13	\$29.45	\$29.32
	B	\$23.63	\$24.18	\$24.25	\$24.23	\$24.29
	C	\$20.50	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.10	\$24.45	\$24.50	\$24.44	\$24.48
Milwaukee CBD	A	\$32.39	\$32.44	\$32.10	\$31.65	\$31.63
	B	\$22.21	\$22.69	\$22.85	\$22.68	\$22.71
	C	\$19.25	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.15	\$24.09	\$24.23	\$24.07	\$24.04
Brookfield	A	\$23.94	\$24.01	\$24.15	\$24.15	\$24.44
	B	\$20.17	\$20.18	\$20.14	\$19.99	\$20.05
	C	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
	Subtotal	\$20.26	\$20.20	\$20.10	\$19.96	\$20.12
Mayfair - Wauwatosa	A	\$26.39	\$26.39	\$26.39	\$26.39	\$26.92
	B	\$18.55	\$18.76	\$18.72	\$18.83	\$18.64
	C					
	Subtotal	\$21.03	\$21.30	\$21.28	\$21.50	\$21.86
Mequon - Thiensville	A					
	B	\$16.51	\$16.51	\$17.55	\$17.51	\$17.51
	Subtotal	\$16.51	\$16.51	\$17.55	\$17.51	\$17.51
Milwaukee Central	B					
	C					
	Subtotal					
Milwaukee North Shore	A	\$24.06	\$24.06	\$24.04	\$24.45	\$24.45
	B	\$20.94	\$20.50	\$19.88	\$19.88	\$19.56
	C	\$16.50	\$16.75	\$16.75	\$16.75	\$16.75
	Subtotal	\$20.44	\$20.47	\$20.05	\$20.12	\$19.91

Lease Rates by Market (Multi and Single Tenant-Cont)

Market	Bldg Class	Q2 2022 Lease Rate	Q3 2022 Lease Rate	Q4 2022 Lease Rate	Q1 2023 Lease Rate	Q2 2023 Lease Rate
Milwaukee Northwest	A	\$20.25	\$20.25	\$20.25	\$20.25	\$20.25
	B	\$17.28	\$17.23	\$17.18	\$16.82	\$16.66
	Subtotal	\$17.45	\$17.40	\$17.33	\$17.00	\$16.85
Milwaukee South	A					
	B	\$17.86	\$17.68	\$18.03	\$17.39	\$17.28
	C					
	Subtotal	\$17.86	\$17.68	\$18.03	\$17.39	\$17.28
Milwaukee West Allis	B	\$17.41	\$17.91	\$18.20	\$18.21	\$18.13
	C					
	Subtotal	\$17.41	\$17.91	\$18.20	\$18.21	\$18.13
Pewaukee	A	\$23.63	\$23.64	\$23.64	\$23.76	\$23.78
	B	\$19.53	\$19.53	\$20.04	\$19.63	\$19.73
	Subtotal	\$20.35	\$20.35	\$20.76	\$20.46	\$20.58
Waukesha Northwest - Lake Country	B	\$18.27	\$18.60	\$19.08	\$19.08	\$17.63
	Subtotal	\$18.27	\$18.60	\$19.08	\$19.08	\$17.63
Waukesha Southeast - New Berlin	B	\$16.60	\$15.60	\$15.60	\$13.75	\$13.50
	Subtotal	\$16.60	\$15.60	\$15.60	\$13.75	\$13.50
Waukesha Southwest	B	\$17.99	\$18.30	\$18.27	\$18.30	\$17.91
	C					
	Subtotal	\$17.99	\$18.30	\$18.27	\$18.30	\$17.91
Suburban	A	\$24.53	\$24.58	\$24.63	\$24.72	\$25.06
	B	\$18.85	\$18.85	\$18.93	\$18.76	\$18.74
	C	\$14.88	\$14.50	\$14.50	\$14.50	\$14.50
	Subtotal	\$19.34	\$19.35	\$19.40	\$19.26	\$19.37
Grand Total		\$20.63	\$20.60	\$20.74	\$20.58	\$20.70



Market Overview by Class (Multi-Tenant Properties)

Total

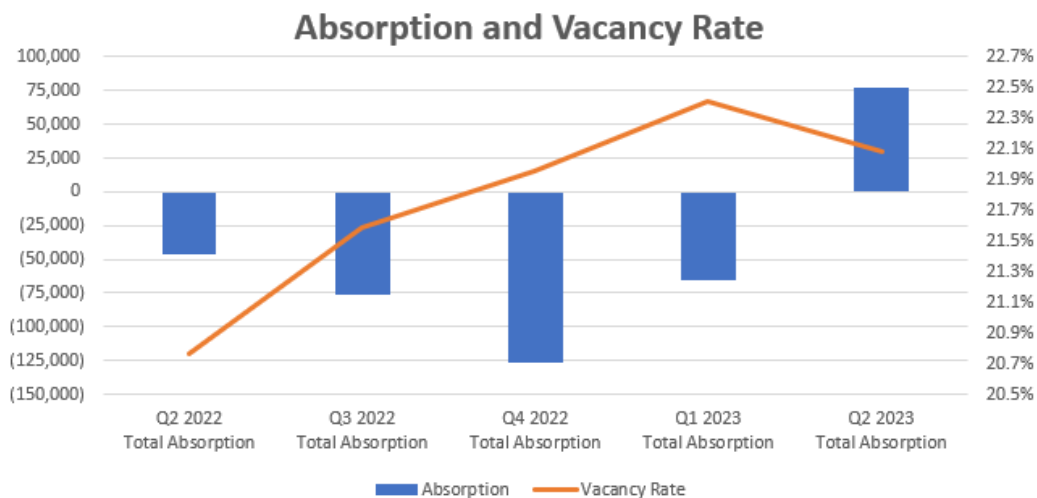
Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
A	42	7,875,635	2,179,018	1,700,039	59,143	76,104	21.6%
B	347	21,088,317	6,277,047	4,945,477	16,583	(65,350)	23.5%
C	35	1,536,996	118,449	90,248	949	949	5.9%
Grand Total	424	30,500,948	8,574,514	6,735,764	76,675	11,703	22.1%

Direct

Bldg Class	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
A	42	7,875,635	2,016,664	1,687,006	61,315	74,232	21.4%
B	347	21,088,317	5,804,098	4,660,009	16,583	(90,336)	22.1%
C	35	1,536,996	114,885	90,248	949	949	5.9%
Grand Total	424	30,500,948	7,935,647	6,437,263	78,847	(15,155)	21.1%

Sublease

Bldg Class	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
A	42	7,875,635	162,354	13,033	(2,172)	1,872	0.2%
B	347	21,088,317	472,949	285,468	0	24,986	1.4%
C	35	1,536,996	3,564	0	0	0	0.0%
Grand Total	424	30,500,948	638,867	298,501	(2,172)	26,858	1.0%



Market Statistics by Market (Multi-Tenant Properties)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Milwaukee Downtown East	A	12	4,677,456	1,130,918	842,678	17,691	23,424	18.0%
	B	30	2,980,715	927,364	743,396	(19,369)	(25,101)	24.9%
	C	3	115,387	27,550	22,500	0	0	19.5%
	Subtotal	45	7,773,558	2,085,832	1,608,574	(1,678)	(1,677)	20.7%
Milwaukee Downtown West	A	1	68,371	13,000		0	0	0.0%
	B	25	3,099,133	968,136	1,013,203	(12,750)	2,674	32.7%
	C	1	95,561			0	0	0.0%
	Subtotal	27	3,263,065	981,136	1,013,203	(12,750)	2,674	31.1%
Third Ward - Walkers Point	A	2	297,047	161,024	167,073	7,598	11,993	56.2%
	B	34	2,103,572	518,456	384,532	(18,572)	(11,766)	18.3%
	C	4	120,713	42,963	42,963	0	0	35.6%
	Subtotal	40	2,521,332	722,443	594,568	(10,974)	227	23.6%
Milwaukee CBD	A	15	5,042,874	1,304,942	1,009,751	25,289	35,417	20.0%
	B	89	8,183,420	2,413,956	2,141,131	(50,691)	(34,193)	26.2%
	C	8	331,661	70,513	65,463	0	0	19.7%
	Subtotal	112	13,557,955	3,789,411	3,216,345	(25,402)	1,224	23.7%
Brookfield	A	5	503,824	52,204	36,650	4,406	4,571	7.3%
	B	78	4,093,057	1,479,372	1,039,366	31,952	(48,894)	25.4%
	C	2	61,911	5,000		0	0	0.0%
	Subtotal	85	4,658,792	1,536,576	1,076,016	36,358	(44,323)	23.1%
Mayfair - Wauwatosa	A	13	1,569,637	470,934	361,280	18,688	33,025	23.0%
	B	25	1,304,825	338,230	319,625	(4,121)	(17,520)	24.5%
	C	6	268,078	26,054	12,785	0	0	4.8%
	Subtotal	44	3,142,540	835,218	693,690	14,567	15,505	22.1%
Mequon - Thiensville	A	1	37,670	6,237	6,237	10,013	10,013	16.6%
	B	12	329,246	103,349	65,547	9,412	5,984	19.9%
	Subtotal	13	366,916	109,586	71,784	19,425	15,997	19.6%
Milwaukee Central	B	5	216,780	32,000		0	0	0.0%
	C	6	406,133			0	0	0.0%
	Subtotal	11	622,913	32,000		0	0	0.0%
Milwaukee North Shore	A	2	175,962	134,828	116,513	0	910	66.2%
	B	25	927,167	160,501	154,897	(1,435)	(7,420)	16.7%
	C	7	271,978	16,882	12,000	949	949	4.4%
	Subtotal	34	1,375,107	312,211	283,410	(486)	(5,561)	20.6%

Market Statistics by Market (Multi-Tenant —Cont)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Milwaukee Northwest	A	2	171,084	46,899	46,899	0	0	27.4%
	B	28	1,749,195	571,815	517,906	2,916	445	29.6%
	Subtotal	30	1,920,279	618,714	564,805	2,916	445	29.4%
Milwaukee South	B	16	653,459	141,765	85,319	2,349	10,647	13.1%
	C	2	91,658			0	0	0.0%
	Subtotal	18	745,117	141,765	85,319	2,349	10,647	11.5%
Milwaukee West Allis	B	16	1,722,795	693,636	350,566	(8,641)	(3,059)	20.3%
	C	1	27,516			0	0	0.0%
	Subtotal	17	1,750,311	693,636	350,566	(8,641)	(3,059)	20.0%
Pewaukee	A	4	374,584	162,974	122,709	747	(7,832)	32.8%
	B	20	849,517	249,000	184,201	12,572	11,066	21.7%
	Subtotal	24	1,224,101	411,974	306,910	13,319	3,234	25.1%
Waukesha Northwest - Lake Country	B	10	256,529	19,286	17,253	2,413	2,413	6.7%
	Subtotal	10	256,529	19,286	17,253	2,413	2,413	6.7%
Waukesha Southeast - New Berlin	B	9	247,541	33,062	20,505	0	(6,555)	8.3%
	Subtotal	9	247,541	33,062	20,505	0	(6,555)	8.3%
Waukesha Southwest	B	14	554,786	41,075	49,161	19,857	21,736	8.9%
	C	3	78,061			0	0	0.0%
	Subtotal	17	632,847	41,075	49,161	19,857	21,736	7.8%
Suburban	A	27	2,832,761	874,076	690,288	33,854	40,687	24.4%
	B	258	12,904,897	3,863,091	2,804,346	67,274	(31,157)	21.7%
	C	27	1,205,335	47,936	24,785	949	949	2.1%
	Subtotal	312	16,942,993	4,785,103	3,519,419	102,077	10,479	20.8%
Grand Total		424	30,500,948	8,574,514	6,735,764	76,675	11,703	22.1%



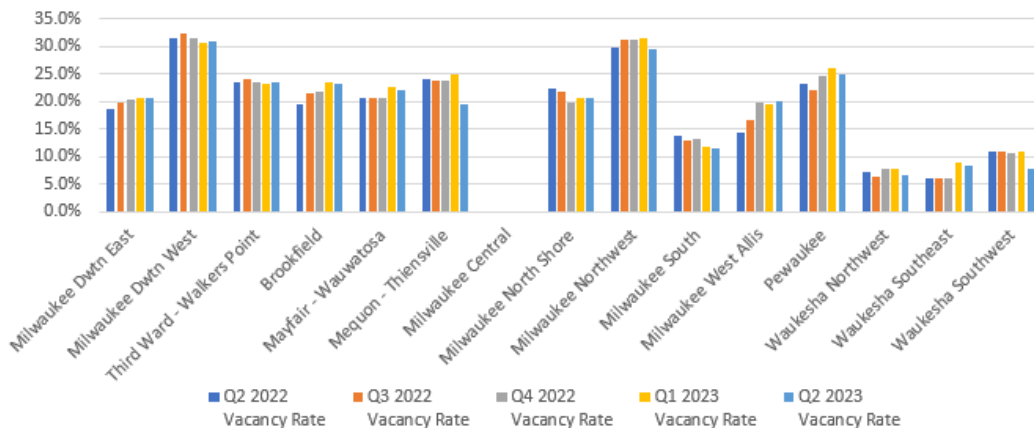
Vacancy Rates by Market (Multi-Tenant)

Market	Bldg Class	Q2 2022 Vacancy Rate	Q3 2022 Vacancy Rate	Q4 2022 Vacancy Rate	Q1 2023 Vacancy Rate	Q2 2023 Vacancy Rate
Milwaukee Downtown East	A	15.9%	17.9%	18.5%	18.4%	18.0%
	B	23.2%	23.0%	23.4%	23.8%	24.9%
	C	14.8%	19.5%	19.5%	19.5%	19.5%
	Subtotal	18.8%	19.9%	20.4%	20.5%	20.7%
Milwaukee Downtown West	A	0.0%	0.0%	0.0%	0.0%	0.0%
	B	33.4%	34.1%	33.1%	32.3%	32.7%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	31.7%	32.3%	31.4%	30.7%	31.1%
Third Ward - Walkers Point	A	61.7%	61.7%	60.3%	58.8%	56.2%
	B	17.5%	18.1%	17.7%	17.4%	18.3%
	C	35.6%	35.6%	35.6%	35.6%	35.6%
	Subtotal	23.6%	24.1%	23.6%	23.1%	23.6%
Milwaukee CBD	A	18.4%	20.2%	20.7%	20.5%	20.0%
	B	25.4%	25.7%	25.5%	25.4%	26.2%
	C	18.1%	19.7%	19.7%	19.7%	19.7%
	Subtotal	22.7%	23.5%	23.6%	23.4%	23.7%
Brookfield	A	7.2%	8.5%	8.2%	8.1%	7.3%
	B	21.0%	23.5%	23.9%	25.9%	25.4%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	19.6%	21.5%	21.9%	23.6%	23.1%
Mayfair - Wauwatosa	A	20.2%	20.2%	21.6%	24.2%	23.0%
	B	24.0%	24.2%	23.2%	24.2%	24.5%
	C	4.8%	4.8%	4.8%	4.8%	4.8%
	Subtotal	20.5%	20.5%	20.8%	22.5%	22.1%
Mequon - Thiensville	A	21.8%	43.1%	43.1%	43.1%	16.6%
	B	24.6%	21.7%	21.7%	22.8%	19.9%
	Subtotal	24.1%	23.9%	23.9%	24.9%	19.6%
Milwaukee Central	B	0.0%	0.0%	0.0%	0.0%	0.0%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	0.0%	0.0%	0.0%	0.0%	0.0%
Milwaukee North Shore	A	77.4%	77.4%	66.7%	66.2%	66.2%
	B	16.8%	16.4%	15.6%	16.6%	16.7%
	C	5.0%	4.4%	4.8%	4.8%	4.4%
	Subtotal	22.3%	21.9%	19.9%	20.6%	20.6%

Vacancy Rates by Market (Multi-Tenant—Cont)

Market	Bldg Class	Q2 2022 Vacancy Rate	Q3 2022 Vacancy Rate	Q4 2022 Vacancy Rate	Q1 2023 Vacancy Rate	Q2 2023 Vacancy Rate
Milwaukee Northwest	A	31.8%	31.8%	27.4%	27.4%	27.4%
	B	29.5%	31.2%	31.8%	31.9%	29.6%
	Subtotal	29.7%	31.3%	31.4%	31.5%	29.4%
Milwaukee South	B	15.8%	14.7%	15.0%	13.4%	13.1%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	13.8%	12.9%	13.1%	11.8%	11.5%
Milwaukee West Allis	B	14.5%	17.0%	20.2%	19.8%	20.3%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	14.2%	16.7%	19.9%	19.5%	20.0%
Pewaukee	A	33.5%	30.7%	30.7%	33.0%	32.8%
	B	18.8%	18.6%	22.2%	23.2%	21.7%
	Subtotal	23.1%	22.2%	24.7%	26.2%	25.1%
Waukesha Northwest - Lake Country	B	7.1%	6.3%	7.7%	7.7%	6.7%
	Subtotal	7.1%	6.3%	7.7%	7.7%	6.7%
Waukesha Southeast - New Berlin	B	6.1%	6.1%	6.1%	9.0%	8.3%
	Subtotal	6.1%	6.1%	6.1%	9.0%	8.3%
Waukesha Southwest	B	12.2%	12.3%	11.9%	12.4%	8.9%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	10.9%	10.9%	10.5%	10.9%	7.8%
Suburban	A	25.2%	24.1%	23.9%	25.6%	24.4%
	B	19.7%	20.9%	21.6%	22.5%	21.7%
	C	2.1%	2.0%	2.1%	2.1%	2.1%
	Subtotal	19.3%	20.0%	20.6%	21.6%	20.8%
Grand Total		20.8%	21.6%	22.0%	22.4%	22.1%

Vacancy Rate by Market



Lease Rates by Market (Multi-Tenant)

Market	Bldg Class	Q2 2022 Lease Rate	Q3 2022 Lease Rate	Q4 2022 Lease Rate	Q1 2023 Lease Rate	Q2 2023 Lease Rate
Milwaukee Downtown East	A	\$33.55	\$33.10	\$33.23	\$32.20	\$32.21
	B	\$21.57	\$21.55	\$21.85	\$21.55	\$21.66
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$25.43	\$24.91	\$25.15	\$24.96	\$24.89
Milwaukee Downtown West	A	\$26.48		\$28.10		
	B	\$20.87	\$21.88	\$22.01	\$22.01	\$22.04
	C					
	Subtotal	\$21.34	\$21.88	\$22.41	\$22.01	\$22.04
Third Ward - Walkers Point	A	\$30.13	\$30.13	\$30.13	\$29.45	\$29.32
	B	\$23.40	\$23.99	\$24.07	\$24.23	\$24.29
	C	\$20.50	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$23.93	\$24.30	\$24.36	\$24.44	\$24.48
Milwaukee CBD	A	\$32.39	\$32.44	\$32.10	\$31.65	\$31.63
	B	\$22.09	\$22.58	\$22.75	\$22.68	\$22.71
	C	\$19.25	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.09	\$24.03	\$24.17	\$24.07	\$24.04
Brookfield	A	\$23.94	\$24.01	\$24.15	\$24.15	\$24.44
	B	\$20.17	\$20.18	\$20.14	\$19.99	\$20.05
	C	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
	Subtotal	\$20.26	\$20.20	\$20.10	\$19.96	\$20.12
Mayfair - Wauwatosa	A	\$26.39	\$26.39	\$26.39	\$26.39	\$26.99
	B	\$18.55	\$18.76	\$18.72	\$18.83	\$18.64
	C					
	Subtotal	\$21.03	\$21.30	\$21.28	\$21.50	\$21.59
Mequon - Thiensville	A					
	B	\$16.51	\$16.51	\$17.55	\$17.51	\$17.51
	Subtotal	\$16.51	\$16.51	\$17.55	\$17.51	\$17.51
Milwaukee Central	B					
	C					
	Subtotal					
Milwaukee North Shore	A	\$24.06	\$24.06	\$24.04	\$24.45	\$24.45
	B	\$20.94	\$20.50	\$19.88	\$19.88	\$19.56
	C	\$16.50	\$16.75	\$16.75	\$16.75	\$16.75
	Subtotal	\$20.44	\$20.47	\$20.05	\$20.12	\$19.91

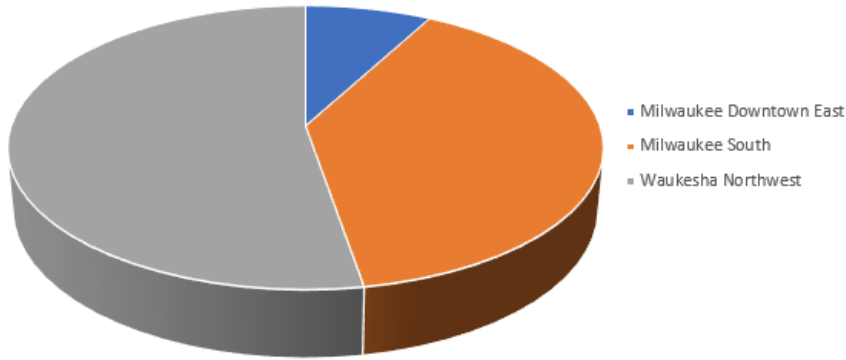
Lease Rates by Market (Multi-Tenant-Cont)

Market	Bldg Class	Q2 2022 Lease Rate	Q3 2022 Lease Rate	Q4 2022 Lease Rate	Q1 2023 Lease Rate	Q2 2023 Lease Rate
Milwaukee Northwest	A	\$20.25	\$20.25	\$20.25	\$20.25	\$20.25
	B	\$17.33	\$17.28	\$17.45	\$17.08	\$16.90
	Subtotal	\$17.50	\$17.46	\$17.61	\$17.27	\$17.10
Milwaukee South	B	\$17.86	\$17.68	\$18.03	\$17.39	\$17.28
	C					
	Subtotal	\$17.86	\$17.68	\$18.03	\$17.39	\$17.28
Milwaukee West Allis	B	\$17.41	\$17.91	\$18.20	\$18.21	\$18.13
	C					
	Subtotal	\$17.41	\$17.91	\$18.20	\$18.21	\$18.13
Pewaukee	A	\$23.63	\$23.64	\$23.64	\$23.76	\$23.78
	B	\$19.46	\$19.46	\$20.01	\$19.57	\$19.60
	Subtotal	\$20.34	\$20.34	\$20.77	\$20.45	\$20.53
Waukesha Northwest - Lake Country	B	\$18.27	\$18.60	\$19.08	\$19.08	\$17.63
	Subtotal	\$18.27	\$18.60	\$19.08	\$19.08	\$17.63
Waukesha Southeast - New Berlin	B	\$14.00	\$14.75	\$14.75	\$13.75	\$13.50
	Subtotal	\$14.00	\$14.75	\$14.75	\$13.75	\$13.50
Waukesha Southwest	B	\$17.99	\$18.30	\$18.27	\$18.30	\$17.91
	C					
	Subtotal	\$17.99	\$18.30	\$18.27	\$18.30	\$17.91
Suburban	A	\$24.53	\$24.58	\$24.63	\$24.72	\$24.97
	B	\$18.83	\$18.85	\$18.99	\$18.81	\$18.78
	C	\$14.88	\$14.50	\$14.50	\$14.50	\$14.50
	Subtotal	\$19.34	\$19.36	\$19.46	\$19.32	\$19.37
Grand Total		\$20.62	\$20.60	\$20.79	\$20.64	\$20.73



Under Construction

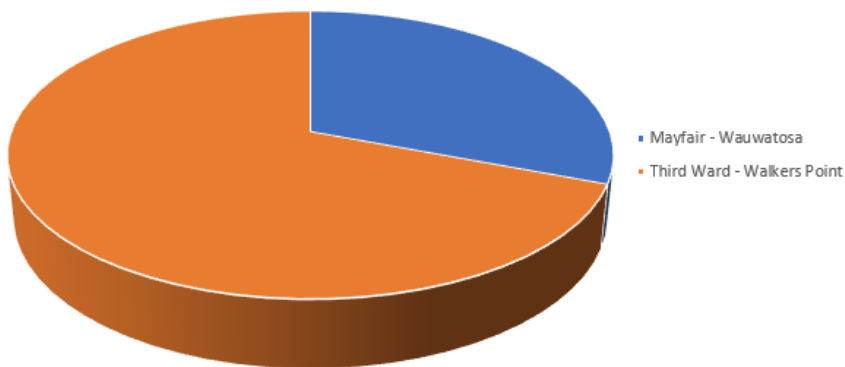
Under Construction (sf)



Market	Bldg (sf)
Milwaukee Downtown East	8,104
Milwaukee South	40,288
Waukesha Northwest	53,913
Grand Total	102,305

YTD Deliveries

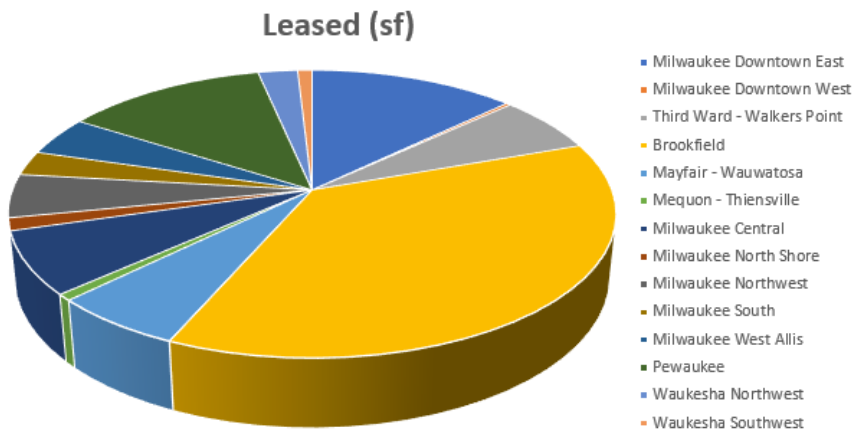
YTD Delivered (sf)



Market	Bldg (sf)
Mayfair - Wauwatosa	70,357
Third Ward - Walkers Point	158,308
Grand Total	228,665

Leasing Activity

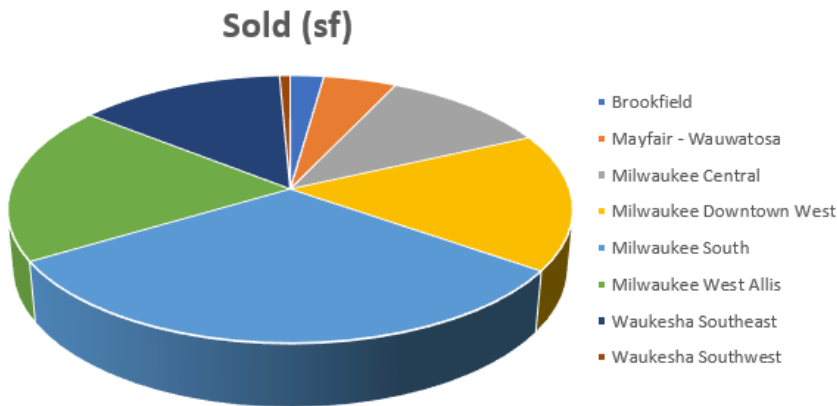
Property	Size (sf)	Market	Tenant	Landlord
445 S Moorland Rd	91,824	Brookfield	Old Republic	Zeller Deer Creek LLC
411 E Wisconsin Center	20,944	Milwaukee Downtown East	Morgan Stanley Wealth Management	Middleton Milwaukee Investors LLC
Summit Place	18,004	Milwaukee West Allis	Baxter-Hillrom	Whitnall Summit Co LLC
One Park Plaza	17,938	Milwaukee Northwest	Regal Ware	Melrose Milwaukee Holdings, LLC
Ridgeview Office Center II	14,809	Pewaukee	Medical Eye	Ridgeview Office II LLC



Market	Leased (sf)
Milwaukee Downtown East	56,714
Milwaukee Downtown West	1,200
Third Ward - Walkers Point	28,304
Brookfield	163,080
Mayfair - Wauwatosa	26,952
Mequon - Thiensville	3,120
Milwaukee Central	31,103
Milwaukee North Shore	6,207
Milwaukee Northwest	21,530
Milwaukee South	12,103
Milwaukee West Allis	19,504
Pewaukee	55,807
Waukesha Northwest	10,868
Waukesha Southwest	3,967
Grand Total	440,459

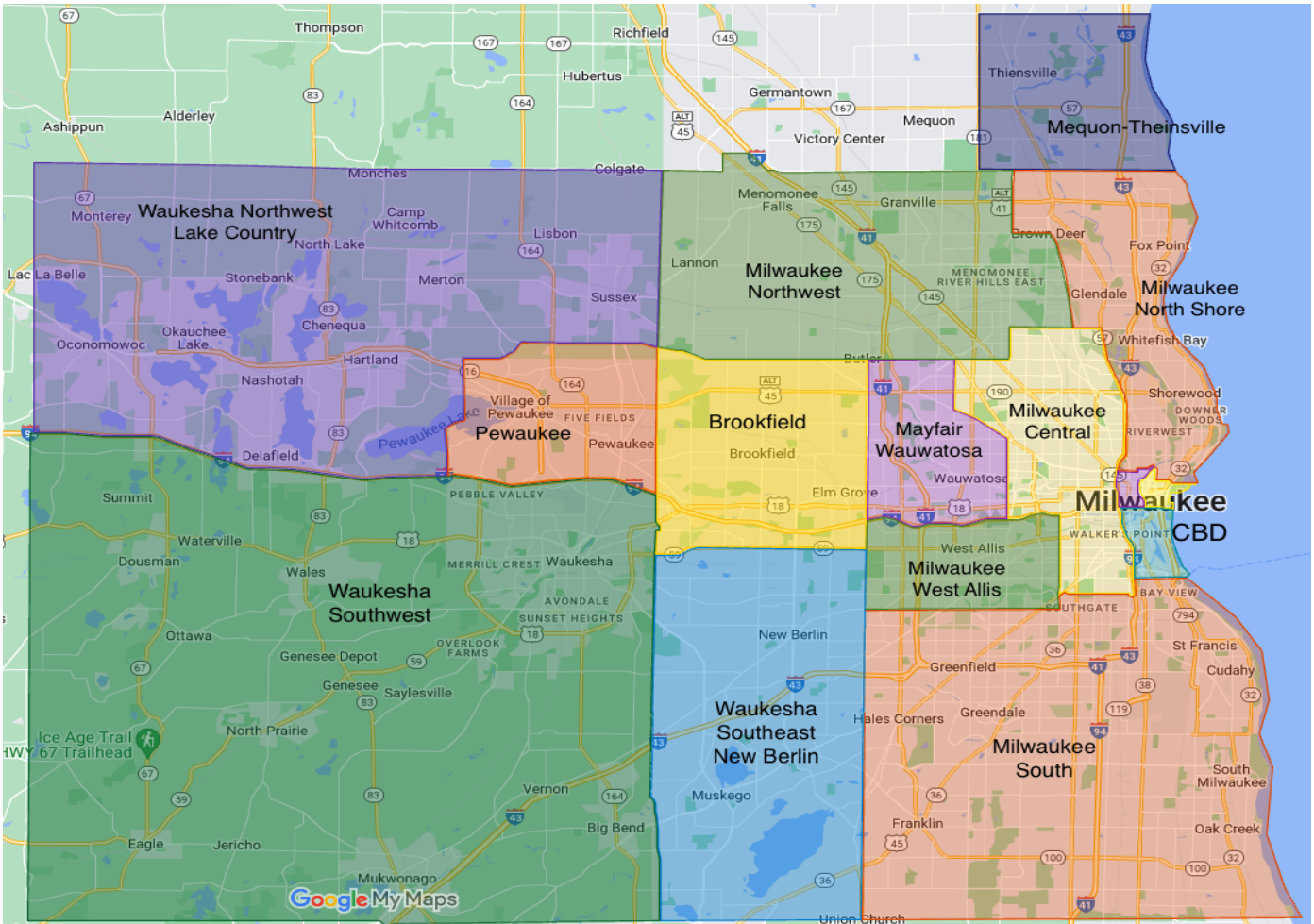
Sales Activity

Property	Price	Market	Buyer	Seller
959 N Mayfair Rd	\$4,330,000	Mayfair - Wauwatosa	FCPT Holdings, LLC	959 N Mayfair LLC
5307 S 92nd St	\$3,500,000	Milwaukee South	9415 Forest Home, LLC	Valley View Center
21680 West Bluemound Road	\$2,740,000	Brookfield	Whitewater Main, LLC	Sirach 2 Real Estate LLC
Park Crest Center I 15700 W Cleveland Ave	\$2,543,215	Waukesha Southeast	St Coletta of Wisconsin Rogers Behavioral	Park Crest Associates
2424 S 102nd St	\$2,000,000	Milwaukee West Allis	Health System, Inc.	MOCI Leasing Inc



Market	Sold (sf)
Brookfield	6,582
Mayfair - Wauwatosa	14,254
Milwaukee Central	32,816
Milwaukee Downtown West	49,000
Milwaukee South	93,776
Milwaukee West Allis	56,789
Waukesha Southeast	40,367
Waukesha Southwest	2,077
Grand Total	295,661

Market Map



Milwaukee CBD Markets



Methodology

The Milwaukee market consists of existing multi and single tenant office buildings 20,000 sf or larger in Southeastern Wisconsin. The geographic area includes Milwaukee and Waukesha, counties, along with Mequon and Thiensville. Property types included in the tracked set consist of general office and corporate facilities. The tracked set does not include medical office or government buildings. Statistically, net absorption will be calculated based on when a 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 Full-Service Gross (FSG) 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 office buildings 20,000 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. For new construction the new lease will be captured when the construction has been completed.
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 full service gross (FSG) terms with Net type leases grossed up.

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