

Market

# Trends

# Q2 2024

## Milwaukee - Industrial



# REDI MOODY'S



# MARKET TRENDS

Q2 2024 | Milwaukee | Industrial

## Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	783,858	
Area Unemployment	3.4	
U.S. Unemployment	4.0	
Industrial Jobs	113,300	

Source: BLS

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

## Market Recap

### All Properties

Total Inventory (sf)	387,102,654
Total # of Bldgs (tracked)	5,412
Absorption	2,185,277
Vacancy	5.7%
Asking Rate (NNN)	\$6.81
New Construction (sf)	2,617,841

### Multi-tenant Properties

Total Inventory (sf)	100,274,419
Total # of Bldgs (tracked)	1,245
Absorption	717,444
Vacancy	15.2%
Asking Rate (NNN)	\$6.78

## Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Milwaukee metropolitan statistical area (MSA) increased 30 basis points to 3.4% compared to 3.1% in May 2023. The unemployment rate for the US was at 4.0% in May 2024 which increased 30 basis points from last year. State of Wisconsin unemployment was 2.9% for this quarter. The Milwaukee MSA saw a decrease in job growth while manufacturing jobs decreased by 900 jobs during the same period.

## Market Overview

The Milwaukee Industrial market consists of 387.1 msf of space in eight counties across Southeastern Wisconsin. Southeastern Wisconsin posted 2.18 msf positive absorption in Q2 2024 for all properties, bringing the YTD to 2.0 msf positive absorption. Multi-tenant properties had 717,400 sf positive absorption bringing the YTD to 673,700 sf positive absorption. The second quarter ended with a vacancy rate of 5.7% for all properties and 15.2% for multi-tenant properties. The average asking lease rates for SE Wisconsin has increased from \$6.38 last year to \$6.81 psf NNN for Q2 2024. To date, there are 19 properties totaling 2.6 msf of new construction projects throughout the market. Twenty five properties with 3.1 msf were delivered year to date.

## Market Highlights

Kenosha County led the way in positive absorption with 1.8 msf resulting from the new delivery of 1.4 msf for Uline. Milwaukee County experienced (407,000) sf negative absorption led by Smart Warehousing vacating 150,000 sf on a sublease. At the close of Q2 2024 the market had 87 lease transactions totaling 1.4 msf of leasing activity. Sixty eight properties sold topping \$156.4 million with 2.2 msf during Q2 2024.

# Market Overview (Multi and Single Tenant)

## Total

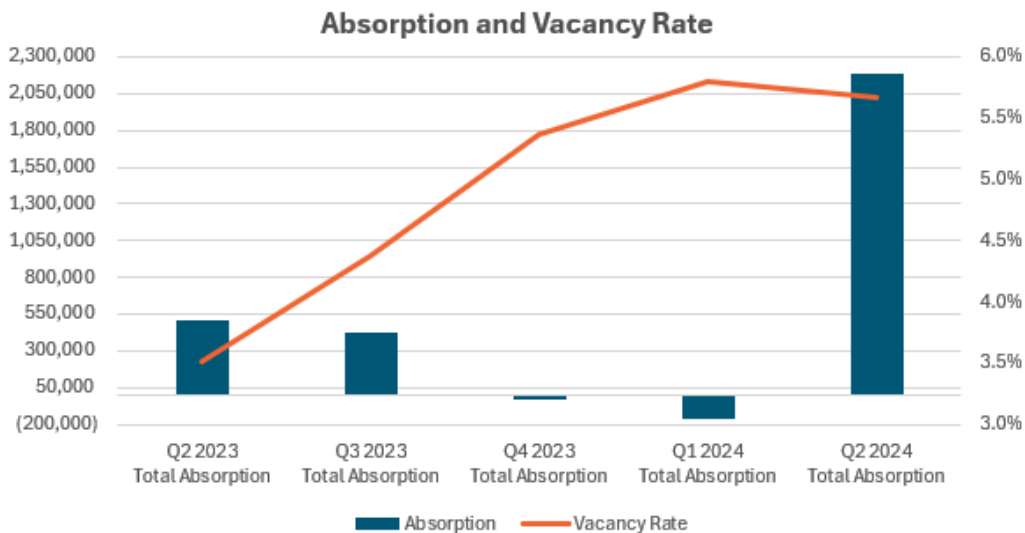
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	295	13,130,152	1,421,740	865,971	28,441	11,321	6.6%
Manufacturing	2,172	176,730,101	8,067,664	5,626,742	(94,513)	(449,288)	3.2%
Warehouse Distribution	794	132,224,787	14,445,580	12,948,808	2,297,810	2,530,251	9.8%
Warehouse Office	2,151	65,017,614	3,811,155	2,485,306	(46,461)	(75,156)	3.8%
<b>Grand Total</b>	<b>5,412</b>	<b>387,102,654</b>	<b>27,746,139</b>	<b>21,926,827</b>	<b>2,185,277</b>	<b>2,017,128</b>	<b>5.7%</b>

## Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	295	13,130,152	1,145,023	859,819	28,441	6,221	6.5%
Manufacturing	2,172	176,730,101	7,879,258	5,566,772	(94,513)	(449,288)	3.1%
Warehouse Distribution	794	132,224,787	13,213,680	12,550,120	2,367,010	2,746,339	9.5%
Warehouse Office	2,151	65,017,614	3,546,003	2,302,502	9,555	(11,340)	3.5%
<b>Grand Total</b>	<b>5,412</b>	<b>387,102,654</b>	<b>25,783,964</b>	<b>21,279,213</b>	<b>2,310,493</b>	<b>2,291,932</b>	<b>5.5%</b>

## Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	295	13,130,152	276,717	6,152	0	5,100	0.0%
Manufacturing	2,172	176,730,101	188,406	59,970	0	0	0.0%
Warehouse Distribution	794	132,224,787	1,231,900	398,688	(69,200)	(216,088)	0.3%
Warehouse Office	2,151	65,017,614	265,152	182,804	(56,016)	(63,816)	0.3%
<b>Grand Total</b>	<b>5,412</b>	<b>387,102,654</b>	<b>1,962,175</b>	<b>647,614</b>	<b>(125,216)</b>	<b>(274,804)</b>	<b>0.2%</b>



# 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	220,000		0	0	0.0%
	Manufacturing	105	8,076,609	209,677	209,677	87,558	87,558	2.6%
	Warehouse Distribution	112	42,082,743	7,397,710	6,820,246	1,766,097	2,103,589	16.2%
	Warehouse Office	70	2,935,539	239,492	35,016	(35,016)	(35,016)	1.2%
	<b>Subtotal</b>	<b>295</b>	<b>53,777,490</b>	<b>8,066,879</b>	<b>7,064,939</b>	<b>1,818,639</b>	<b>2,156,131</b>	<b>13.1%</b>
Milwaukee	Flex/R&D	59	3,126,870	659,905	593,557	9,835	405	19.0%
	Manufacturing	663	60,311,190	5,448,899	4,445,276	(238,395)	(756,269)	7.4%
	Warehouse Distribution	284	35,155,647	3,264,933	2,667,784	(130,712)	(355,322)	7.6%
	Warehouse Office	692	23,659,318	2,136,505	1,529,824	(47,662)	(273,740)	6.5%
	<b>Subtotal</b>	<b>1,698</b>	<b>122,253,025</b>	<b>11,510,242</b>	<b>9,236,441</b>	<b>(406,934)</b>	<b>(1,384,926)</b>	<b>7.6%</b>
Ozaukee	Flex/R&D	23	707,756	87,387	39,277	26,814	15,559	5.5%
	Manufacturing	119	9,170,777	198,295	134,523	20,655	94,479	1.5%
	Warehouse Distribution	15	2,126,875			6,001	6,001	0.0%
	Warehouse Office	67	2,394,976	107,820	28,420	0	30,000	1.2%
	<b>Subtotal</b>	<b>224</b>	<b>14,400,384</b>	<b>393,502</b>	<b>202,220</b>	<b>53,470</b>	<b>146,039</b>	<b>1.4%</b>
Racine	Flex/R&D	13	698,354	10,072	20,410	9,004	12,032	2.9%
	Manufacturing	189	17,425,319	83,334	90,876	(52,331)	(63,056)	0.5%
	Warehouse Distribution	83	15,025,789	2,296,191	2,648,307	165,247	172,213	17.6%
	Warehouse Office	142	4,688,876	563,200	449,728	(6,548)	(6,548)	9.6%
	<b>Subtotal</b>	<b>427</b>	<b>37,838,338</b>	<b>2,952,797</b>	<b>3,209,321</b>	<b>115,372</b>	<b>114,641</b>	<b>8.5%</b>
Sheboygan	Flex/R&D	1	30,720		5,000	0	0	16.3%
	Manufacturing	151	19,759,101	323,254	323,254	0	0	1.6%
	Warehouse Distribution	34	5,132,236	214,029		0	0	0.0%
	Warehouse Office	90	2,347,672	92,845	4,625	0	0	0.2%
	<b>Subtotal</b>	<b>276</b>	<b>27,269,729</b>	<b>630,128</b>	<b>332,879</b>	<b>0</b>	<b>0</b>	<b>1.2%</b>
Walworth	Flex/R&D	4	94,396			0	0	0.0%
	Manufacturing	126	9,721,259	450,469	19,336	0	78,000	0.2%
	Warehouse Distribution	30	3,135,417	71,040		0	0	0.0%
	Warehouse Office	76	2,165,145	53,950	78,950	0	(38,950)	3.6%
	<b>Subtotal</b>	<b>236</b>	<b>15,116,217</b>	<b>575,459</b>	<b>98,286</b>	<b>0</b>	<b>39,050</b>	<b>0.7%</b>
Washington	Flex/R&D	15	528,613	32,118	27,450	0	0	5.2%
	Manufacturing	231	14,790,839	191,340	132,940	0	0	0.9%
	Warehouse Distribution	78	10,945,587	699,921	699,921	313,010	314,560	6.4%
	Warehouse Office	184	4,977,960	198,473	187,778	2,005	246,997	3.8%
	<b>Subtotal</b>	<b>508</b>	<b>31,242,999</b>	<b>1,121,852</b>	<b>1,048,089</b>	<b>315,015</b>	<b>561,557</b>	<b>3.4%</b>
Waukesha	Flex/R&D	172	7,260,844	412,258	180,277	(17,212)	(16,675)	2.5%
	Manufacturing	588	37,475,007	1,162,396	270,860	88,000	110,000	0.7%
	Warehouse Distribution	158	18,620,493	501,756	112,550	178,167	289,210	0.6%
	Warehouse Office	830	21,848,128	418,870	170,965	40,760	2,101	0.8%
	<b>Subtotal</b>	<b>1,748</b>	<b>85,204,472</b>	<b>2,495,280</b>	<b>734,652</b>	<b>289,715</b>	<b>384,636</b>	<b>0.9%</b>
<b>Grand Total</b>		<b>5,412</b>	<b>387,102,654</b>	<b>27,746,139</b>	<b>21,926,827</b>	<b>2,185,277</b>	<b>2,017,128</b>	<b>5.7%</b>

# Vacancy Rates by County (Multi and Single Tenant)

County	Property Type	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
		Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
Kenosha	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	1.7%	1.7%	3.1%	3.1%	2.6%
	Warehouse Distribution	8.6%	14.3%	18.5%	17.7%	16.2%
	Warehouse Office	0.0%	0.0%	0.0%	0.0%	1.2%
	<b>Subtotal</b>	<b>6.8%</b>	<b>11.2%</b>	<b>14.9%</b>	<b>14.2%</b>	<b>13.1%</b>
Milwaukee	Flex/R&D	19.0%	18.1%	18.5%	19.3%	19.0%
	Manufacturing	4.1%	4.9%	6.1%	7.0%	7.4%
	Warehouse Distribution	3.4%	4.8%	6.6%	7.2%	7.6%
	Warehouse Office	5.3%	4.5%	4.8%	6.3%	6.5%
	<b>Subtotal</b>	<b>4.5%</b>	<b>5.1%</b>	<b>6.3%</b>	<b>7.2%</b>	<b>7.6%</b>
Ozaukee	Flex/R&D	4.0%	3.6%	2.7%	4.4%	5.5%
	Manufacturing	1.7%	1.3%	1.1%	1.7%	1.5%
	Warehouse Distribution	0.3%	0.3%	0.3%	0.3%	0.0%
	Warehouse Office	2.8%	2.8%	2.4%	1.2%	1.2%
	<b>Subtotal</b>	<b>1.8%</b>	<b>1.5%</b>	<b>1.3%</b>	<b>1.5%</b>	<b>1.4%</b>
Racine	Flex/R&D	5.3%	5.3%	4.6%	4.2%	2.9%
	Manufacturing	0.2%	0.2%	0.2%	0.2%	0.5%
	Warehouse Distribution	16.1%	17.8%	17.0%	18.7%	17.6%
	Warehouse Office	9.6%	9.6%	9.5%	9.5%	9.6%
	<b>Subtotal</b>	<b>7.4%</b>	<b>8.4%</b>	<b>8.0%</b>	<b>8.8%</b>	<b>8.5%</b>
Sheboygan	Flex/R&D	16.3%	16.3%	16.3%	16.3%	16.3%
	Manufacturing	0.1%	0.5%	1.6%	1.6%	1.6%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	0.0%	0.2%	0.2%	0.2%	0.2%
	<b>Subtotal</b>	<b>0.1%</b>	<b>0.4%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>1.2%</b>
Walworth	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	0.4%	0.4%	0.2%	0.2%	0.2%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	1.8%	1.8%	1.8%	3.6%	3.6%
	<b>Subtotal</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.7%</b>	<b>0.7%</b>
Washington	Flex/R&D	4.5%	4.5%	5.2%	5.2%	5.2%
	Manufacturing	0.8%	0.8%	0.9%	0.9%	0.9%
	Warehouse Distribution	2.5%	2.2%	1.8%	7.1%	6.4%
	Warehouse Office	1.9%	1.7%	2.0%	3.4%	3.8%
	<b>Subtotal</b>	<b>1.6%</b>	<b>1.5%</b>	<b>1.4%</b>	<b>3.5%</b>	<b>3.4%</b>
Waukesha	Flex/R&D	2.9%	2.6%	2.3%	2.2%	2.5%
	Manufacturing	0.5%	0.4%	1.0%	1.0%	0.7%
	Warehouse Distribution	2.2%	1.7%	1.7%	1.6%	0.6%
	Warehouse Office	0.6%	0.9%	0.8%	1.0%	0.8%
	<b>Subtotal</b>	<b>1.1%</b>	<b>1.0%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>0.9%</b>
<b>Grand Total</b>		<b>3.5%</b>	<b>4.4%</b>	<b>5.4%</b>	<b>5.8%</b>	<b>5.7%</b>

# Lease Rates by County (Multi and Single Tenant)

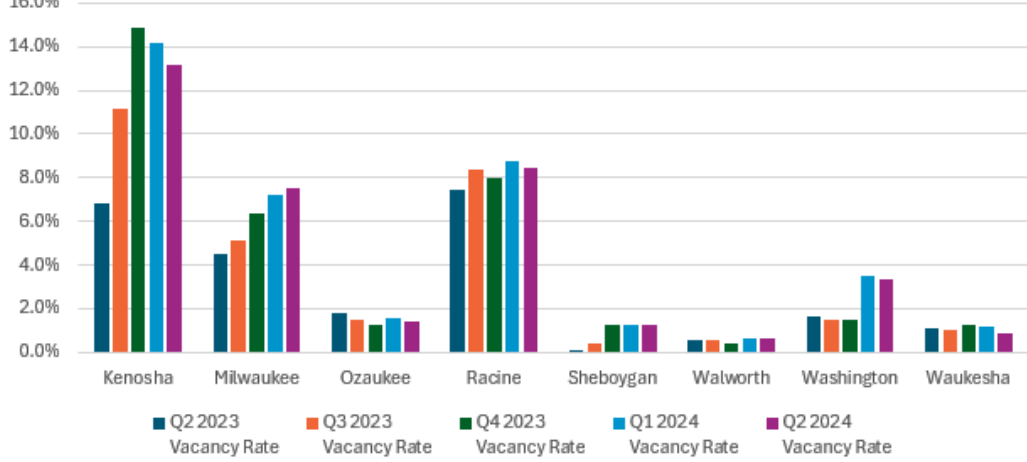
County	Property Type	Q2 2023 Lease Rate	Q3 2023 Lease Rate	Q4 2023 Lease Rate	Q1 2024 Lease Rate	Q2 2024 Lease Rate
Kenosha	Flex/R&D					
	Manufacturing					
	Warehouse Distribution	\$6.25	\$6.25	\$6.25	\$6.25	\$5.88
	Warehouse Office					
	<b>Subtotal</b>	<b>\$6.25</b>	<b>\$6.25</b>	<b>\$6.25</b>	<b>\$6.25</b>	<b>\$5.88</b>
Milwaukee	Flex/R&D	\$7.12	\$7.12	\$7.07	\$7.04	\$7.04
	Manufacturing	\$4.92	\$5.01	\$4.89	\$4.82	\$5.29
	Warehouse Distribution	\$5.28	\$5.24	\$5.33	\$5.96	\$6.30
	Warehouse Office	\$5.46	\$5.67	\$5.73	\$5.99	\$6.00
	<b>Subtotal</b>	<b>\$5.55</b>	<b>\$5.65</b>	<b>\$5.65</b>	<b>\$5.79</b>	<b>\$5.99</b>
Ozaukee	Flex/R&D	\$8.92	\$9.13	\$9.17	\$10.38	\$9.60
	Manufacturing	\$3.50	\$3.50	\$11.54	\$3.50	\$5.00
	Warehouse Distribution	\$5.50	\$5.50	\$5.50	\$5.50	
	Warehouse Office	\$9.75	\$9.75	\$7.75	\$8.38	\$8.38
	<b>Subtotal</b>	<b>\$8.13</b>	<b>\$8.31</b>	<b>\$8.58</b>	<b>\$8.41</b>	<b>\$8.81</b>
Racine	Flex/R&D					
	Manufacturing	\$5.23	\$4.98	\$4.98	\$6.59	\$7.25
	Warehouse Distribution	\$4.15	\$5.25	\$5.25	\$5.25	\$5.25
	Warehouse Office		\$6.95			\$7.39
	<b>Subtotal</b>	<b>\$4.87</b>	<b>\$5.43</b>	<b>\$5.05</b>	<b>\$6.37</b>	<b>\$7.00</b>
Sheboygan	Flex/R&D					
	Manufacturing	\$5.74	\$5.74	\$5.64	\$5.75	\$5.75
	Warehouse Distribution					
	Warehouse Office	\$5.83	\$5.70	\$5.70	\$5.70	\$5.70
	<b>Subtotal</b>	<b>\$5.78</b>	<b>\$5.73</b>	<b>\$5.66</b>	<b>\$5.73</b>	<b>\$5.73</b>
Walworth	Flex/R&D					
	Manufacturing	\$4.75	\$4.75	\$4.25	\$4.25	\$4.44
	Warehouse Distribution	\$5.50	\$5.50	\$5.50	\$5.50	
	Warehouse Office	\$7.23	\$7.23	\$8.50	\$5.25	\$5.25
	<b>Subtotal</b>	<b>\$5.70</b>	<b>\$5.70</b>	<b>\$5.63</b>	<b>\$4.70</b>	<b>\$4.60</b>
Washington	Flex/R&D	\$5.67	\$5.67	\$5.13	\$5.50	\$5.50
	Manufacturing	\$3.92	\$3.92	\$4.56	\$5.24	\$5.49
	Warehouse Distribution	\$5.00				
	Warehouse Office	\$6.52	\$6.26	\$6.26	\$6.87	\$8.60
	<b>Subtotal</b>	<b>\$5.60</b>	<b>\$5.28</b>	<b>\$5.25</b>	<b>\$5.78</b>	<b>\$6.53</b>
Waukesha	Flex/R&D	\$8.13	\$8.07	\$7.71	\$8.66	\$8.84
	Manufacturing	\$5.47	\$5.36	\$5.36	\$6.65	
	Warehouse Distribution	\$8.24	\$8.24	\$8.04	\$7.74	\$7.74
	Warehouse Office	\$7.11	\$7.09	\$6.71	\$7.06	\$7.29
	<b>Subtotal</b>	<b>\$7.60</b>	<b>\$7.59</b>	<b>\$7.31</b>	<b>\$8.11</b>	<b>\$8.28</b>
<b>Grand Total</b>		<b>\$6.38</b>	<b>\$6.35</b>	<b>\$6.24</b>	<b>\$6.62</b>	<b>\$6.81</b>

# Multi and Single Tenant

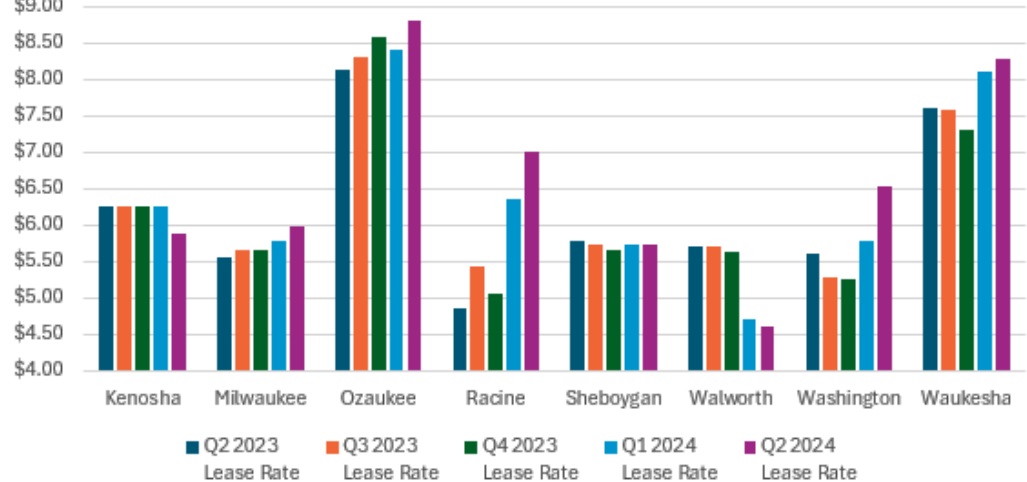
Available and Vacancy Rates



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	9,959,210	1,254,540	701,171	28,441	8,621	7.0%
Manufacturing	170	20,106,351	3,212,272	2,399,115	46,180	(573,860)	11.9%
Warehouse Distribution	247	46,413,132	10,840,942	10,341,838	655,313	1,163,810	22.3%
Warehouse Office	596	23,795,726	2,690,572	1,828,267	(12,490)	75,178	7.7%
<b>Grand Total</b>	<b>1,245</b>	<b>100,274,419</b>	<b>17,998,326</b>	<b>15,270,391</b>	<b>717,444</b>	<b>673,749</b>	<b>15.2%</b>

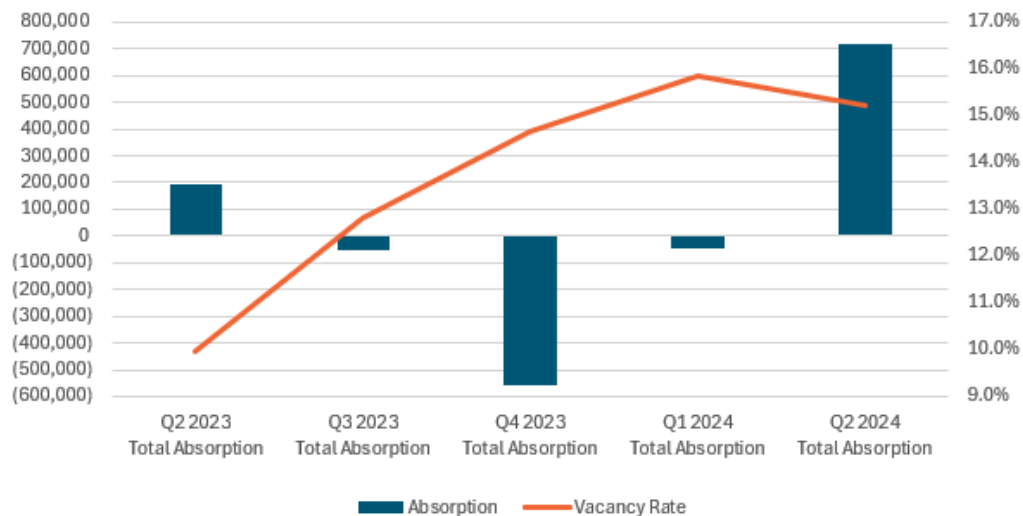
## Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	232	9,959,210	977,823	695,019	28,441	6,221	7.0%
Manufacturing	170	20,106,351	3,121,336	2,399,115	46,180	(573,860)	11.9%
Warehouse Distribution	247	46,413,132	10,556,057	10,209,038	574,513	1,158,010	22.0%
Warehouse Office	596	23,795,726	2,535,435	1,677,463	43,526	138,994	7.0%
<b>Grand Total</b>	<b>1,245</b>	<b>100,274,419</b>	<b>17,190,651</b>	<b>14,980,635</b>	<b>692,660</b>	<b>729,365</b>	<b>14.9%</b>

## 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	9,959,210	276,717	6,152	0	2,400	0.1%
Manufacturing	170	20,106,351	90,936		0	0	0.0%
Warehouse Distribution	247	46,413,132	284,885	132,800	80,800	5,800	0.3%
Warehouse Office	596	23,795,726	155,137	150,804	(56,016)	(63,816)	0.6%
<b>Grand Total</b>	<b>1,245</b>	<b>100,274,419</b>	<b>807,675</b>	<b>289,756</b>	<b>24,784</b>	<b>(55,616)</b>	<b>0.3%</b>

## Absorption and Vacancy Rate





# 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	220,000		0	0	0.0%
	Manufacturing	6	1,333,434	96,516	96,516	38,558	38,558	7.2%
	Warehouse Distribution	40	14,083,096	5,848,036	5,872,952	209,054	546,546	41.7%
	Warehouse Office	11	657,354	239,492	35,016	(35,016)	(35,016)	5.3%
	<b>Subtotal</b>	<b>64</b>	<b>16,726,195</b>	<b>6,404,044</b>	<b>6,004,484</b>	<b>212,596</b>	<b>550,088</b>	<b>35.9%</b>
Milwaukee	Flex/R&D	47	2,339,828	495,105	428,757	9,835	405	18.3%
	Manufacturing	65	11,215,151	2,425,751	2,039,026	(13,033)	(649,697)	18.2%
	Warehouse Distribution	100	14,297,917	2,433,424	2,214,676	19,288	22,786	15.5%
	Warehouse Office	206	10,143,239	1,451,420	971,885	686	(128,037)	9.6%
	<b>Subtotal</b>	<b>418</b>	<b>37,996,135</b>	<b>6,805,700</b>	<b>5,654,344</b>	<b>16,776</b>	<b>(754,543)</b>	<b>14.9%</b>
Ozaukee	Flex/R&D	20	651,398	87,387	39,277	26,814	15,559	6.0%
	Manufacturing	11	1,325,247	107,973	79,523	20,655	20,454	6.0%
	Warehouse Distribution	2	474,845			6,001	6,001	0.0%
	Warehouse Office	20	965,993	38,960	18,960	0	30,000	2.0%
	<b>Subtotal</b>	<b>53</b>	<b>3,417,483</b>	<b>234,320</b>	<b>137,760</b>	<b>53,470</b>	<b>72,014</b>	<b>4.0%</b>
Racine	Flex/R&D	7	349,966	10,072	20,410	9,004	12,032	5.8%
	Manufacturing	11	1,291,078	20,675	20,675	0	(5,175)	1.6%
	Warehouse Distribution	30	6,761,746	1,371,230	1,463,685	177,803	210,771	21.6%
	Warehouse Office	26	1,477,202	461,048	449,728	(6,548)	(6,548)	30.4%
	<b>Subtotal</b>	<b>74</b>	<b>9,879,992</b>	<b>1,863,025</b>	<b>1,954,498</b>	<b>180,259</b>	<b>211,080</b>	<b>19.8%</b>
Sheboygan	Flex/R&D	1	30,720		5,000	0	0	16.3%
	Manufacturing	9	840,674	100,800	100,800	0	0	12.0%
	Warehouse Distribution	3	725,595	184,029		0	0	0.0%
	Warehouse Office	12	434,146	4,625	4,625	0	0	1.1%
	<b>Subtotal</b>	<b>25</b>	<b>2,031,135</b>	<b>289,454</b>	<b>110,425</b>	<b>0</b>	<b>0</b>	<b>5.4%</b>
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	0	0	6.1%
	<b>Subtotal</b>	<b>20</b>	<b>1,069,302</b>	<b>40,294</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>2.3%</b>
Washington	Flex/R&D	10	429,042	32,118	27,450	0	0	6.4%
	Manufacturing	18	717,380	59,000	39,000	0	0	5.4%
	Warehouse Distribution	19	4,174,221	699,921	699,921	65,000	66,550	16.8%
	Warehouse Office	59	1,847,575	172,516	184,944	(12,372)	232,128	10.0%
	<b>Subtotal</b>	<b>106</b>	<b>7,168,218</b>	<b>963,555</b>	<b>951,315</b>	<b>52,628</b>	<b>298,678</b>	<b>13.3%</b>
Waukesha	Flex/R&D	137	5,450,918	409,858	180,277	(17,212)	(19,375)	3.3%
	Manufacturing	47	3,301,386	361,263	23,575	0	22,000	0.7%
	Warehouse Distribution	48	5,371,850	304,302	90,604	178,167	311,156	1.7%
	Warehouse Office	253	7,861,805	322,511	138,109	40,760	(17,349)	1.8%
	<b>Subtotal</b>	<b>485</b>	<b>21,985,959</b>	<b>1,397,934</b>	<b>432,565</b>	<b>201,715</b>	<b>296,432</b>	<b>2.0%</b>
<b>Grand Total</b>		<b>1,245</b>	<b>100,274,419</b>	<b>17,998,326</b>	<b>15,270,391</b>	<b>717,444</b>	<b>673,749</b>	<b>15.2%</b>

# Vacancy Rates by County (Multi-Tenant)

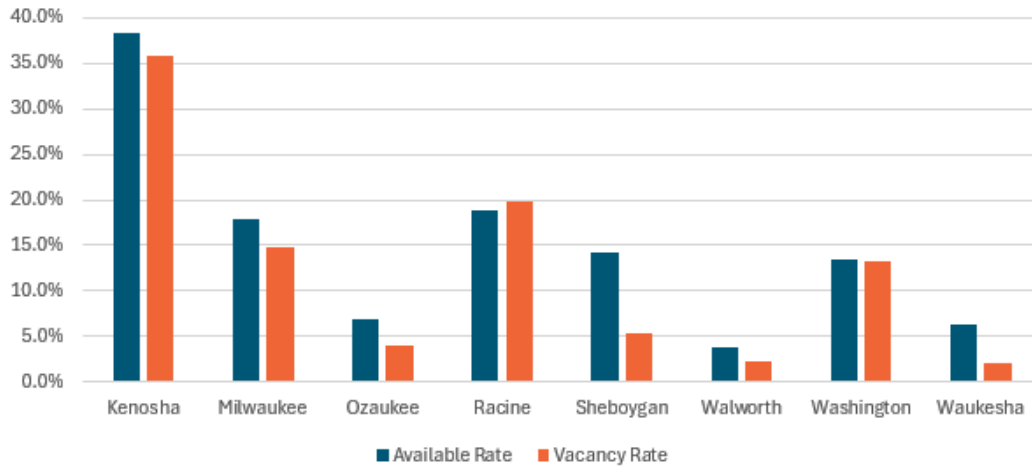
County	Property Type	Q2 2023 Vacancy Rate	Q3 2023 Vacancy Rate	Q4 2023 Vacancy Rate	Q1 2024 Vacancy Rate	Q2 2024 Vacancy Rate
Kenosha	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	10.1%	10.1%	10.1%	10.1%	7.2%
	Warehouse Distribution	27.9%	39.2%	45.6%	43.2%	41.7%
	Warehouse Office	0.0%	0.0%	0.0%	0.0%	5.3%
	<b>Subtotal</b>	<b>23.5%</b>	<b>33.3%</b>	<b>39.2%</b>	<b>37.2%</b>	<b>35.9%</b>
Milwaukee	Flex/R&D	18.6%	17.5%	17.7%	18.7%	18.3%
	Manufacturing	8.3%	10.6%	12.4%	18.1%	18.2%
	Warehouse Distribution	7.7%	11.5%	15.4%	15.4%	15.5%
	Warehouse Office	9.0%	7.3%	7.1%	9.6%	9.6%
	<b>Subtotal</b>	<b>9.0%</b>	<b>10.5%</b>	<b>12.5%</b>	<b>14.8%</b>	<b>14.9%</b>
Ozaukee	Flex/R&D	4.3%	3.9%	2.9%	4.8%	6.0%
	Manufacturing	11.8%	7.0%	7.5%	7.6%	6.0%
	Warehouse Distribution	1.3%	1.3%	1.3%	1.3%	0.0%
	Warehouse Office	6.0%	6.0%	5.1%	2.0%	2.0%
	<b>Subtotal</b>	<b>7.3%</b>	<b>5.3%</b>	<b>5.1%</b>	<b>4.6%</b>	<b>4.0%</b>
Racine	Flex/R&D	10.1%	10.1%	9.3%	8.4%	5.8%
	Manufacturing	1.2%	1.2%	1.2%	1.6%	1.6%
	Warehouse Distribution	16.4%	24.0%	22.1%	24.3%	21.6%
	Warehouse Office	30.0%	30.0%	30.0%	30.0%	30.4%
	<b>Subtotal</b>	<b>16.2%</b>	<b>21.3%</b>	<b>20.0%</b>	<b>21.6%</b>	<b>19.8%</b>
Sheboygan	Flex/R&D	16.3%	16.3%	16.3%	16.3%	16.3%
	Manufacturing	0.0%	12.0%	12.0%	12.0%	12.0%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	0.0%	1.1%	1.1%	1.1%	1.1%
	<b>Subtotal</b>	<b>0.3%</b>	<b>5.4%</b>	<b>5.4%</b>	<b>5.4%</b>	<b>5.4%</b>
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	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	6.1%	6.1%	6.1%	6.1%	6.1%
	<b>Subtotal</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.3%</b>
Washington	Flex/R&D	5.5%	5.5%	6.4%	6.4%	6.4%
	Manufacturing	5.4%	5.4%	5.4%	5.4%	5.4%
	Warehouse Distribution	7.1%	6.3%	5.1%	18.3%	16.8%
	Warehouse Office	5.5%	5.2%	4.9%	8.1%	10.0%
	<b>Subtotal</b>	<b>6.4%</b>	<b>5.9%</b>	<b>5.2%</b>	<b>13.7%</b>	<b>13.3%</b>
Waukesha	Flex/R&D	3.9%	3.4%	3.0%	3.0%	3.3%
	Manufacturing	1.4%	1.4%	1.4%	0.7%	0.7%
	Warehouse Distribution	7.5%	5.7%	6.1%	5.0%	1.7%
	Warehouse Office	1.0%	1.9%	1.5%	2.3%	1.8%
	<b>Subtotal</b>	<b>3.4%</b>	<b>3.1%</b>	<b>3.0%</b>	<b>2.9%</b>	<b>2.0%</b>
<b>Grand Total</b>		<b>10.0%</b>	<b>12.8%</b>	<b>14.7%</b>	<b>15.9%</b>	<b>15.2%</b>

# Lease Rates by County (Multi-Tenant)

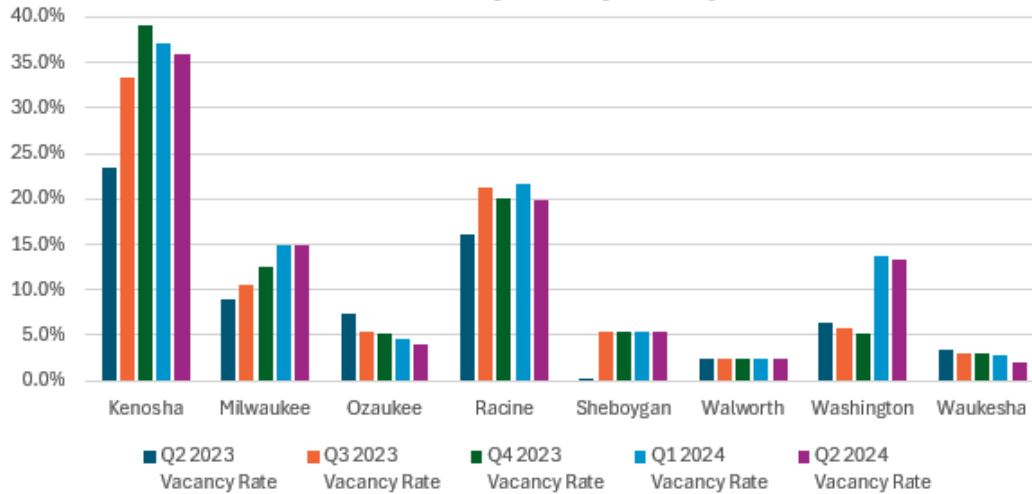
County	Property Type	Q2 2023 Lease Rate	Q3 2023 Lease Rate	Q4 2023 Lease Rate	Q1 2024 Lease Rate	Q2 2024 Lease Rate
Kenosha	Flex/R&D					
	Manufacturing					
	Warehouse Distribution	\$6.25	\$6.25	\$6.25	\$6.25	\$5.88
	Warehouse Office					
	<b>Subtotal</b>	<b>\$6.25</b>	<b>\$6.25</b>	<b>\$6.25</b>	<b>\$6.25</b>	<b>\$5.88</b>
Milwaukee	Flex/R&D	\$7.12	\$7.12	\$7.07	\$7.04	\$7.04
	Manufacturing	\$3.90	\$3.74	\$3.85	\$3.96	\$4.36
	Warehouse Distribution	\$5.28	\$5.24	\$5.33	\$5.83	\$6.27
	Warehouse Office	\$5.08	\$5.30	\$5.18	\$5.50	\$5.33
	<b>Subtotal</b>	<b>\$5.27</b>	<b>\$5.36</b>	<b>\$5.27</b>	<b>\$5.53</b>	<b>\$5.60</b>
Ozaukee	Flex/R&D	\$8.92	\$9.13	\$9.17	\$10.38	\$9.60
	Manufacturing	\$3.50	\$3.50	\$11.54	\$3.50	\$5.00
	Warehouse Distribution	\$5.50	\$5.50	\$5.50	\$5.50	
	Warehouse Office	\$11.25	\$11.25	\$8.75	\$10.00	\$10.00
	<b>Subtotal</b>	<b>\$8.32</b>	<b>\$8.50</b>	<b>\$8.88</b>	<b>\$8.64</b>	<b>\$9.07</b>
Racine	Flex/R&D					
	Manufacturing	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
	Warehouse Distribution	\$4.15	\$5.25	\$5.25	\$5.25	\$5.25
	Warehouse Office		\$6.95			\$7.83
	<b>Subtotal</b>	<b>\$5.33</b>	<b>\$6.23</b>	<b>\$5.88</b>	<b>\$5.88</b>	<b>\$6.53</b>
Sheboygan	Flex/R&D					
	Manufacturing		\$5.75	\$5.75	\$5.75	\$5.75
	Warehouse Distribution					
	Warehouse Office	\$5.83	\$5.70	\$5.70	\$5.70	\$5.70
	<b>Subtotal</b>	<b>\$5.83</b>	<b>\$5.73</b>	<b>\$5.73</b>	<b>\$5.73</b>	<b>\$5.73</b>
Walworth	Flex/R&D					
	Manufacturing	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75
	Warehouse Distribution					
	Warehouse Office					
	<b>Subtotal</b>	<b>\$2.75</b>	<b>\$2.75</b>	<b>\$2.75</b>	<b>\$2.75</b>	<b>\$2.75</b>
Washington	Flex/R&D	\$5.67	\$5.67	\$5.13	\$5.50	\$5.50
	Manufacturing	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63
	Warehouse Distribution	\$5.00				
	Warehouse Office	\$6.95	\$6.92	\$6.92	\$7.80	\$8.60
	<b>Subtotal</b>	<b>\$5.57</b>	<b>\$5.44</b>	<b>\$5.22</b>	<b>\$5.64</b>	<b>\$6.29</b>
Waukesha	Flex/R&D	\$8.13	\$8.07	\$7.71	\$8.50	\$8.65
	Manufacturing	\$5.95	\$5.36	\$5.36	\$6.65	
	Warehouse Distribution	\$8.24	\$8.24	\$8.04	\$7.74	\$7.74
	Warehouse Office	\$7.16	\$7.06	\$6.66	\$7.16	\$7.45
	<b>Subtotal</b>	<b>\$7.73</b>	<b>\$7.63</b>	<b>\$7.37</b>	<b>\$8.06</b>	<b>\$8.24</b>
<b>Grand Total</b>		<b>\$6.42</b>	<b>\$6.37</b>	<b>\$6.19</b>	<b>\$6.69</b>	<b>\$6.78</b>

# Multi-Tenant

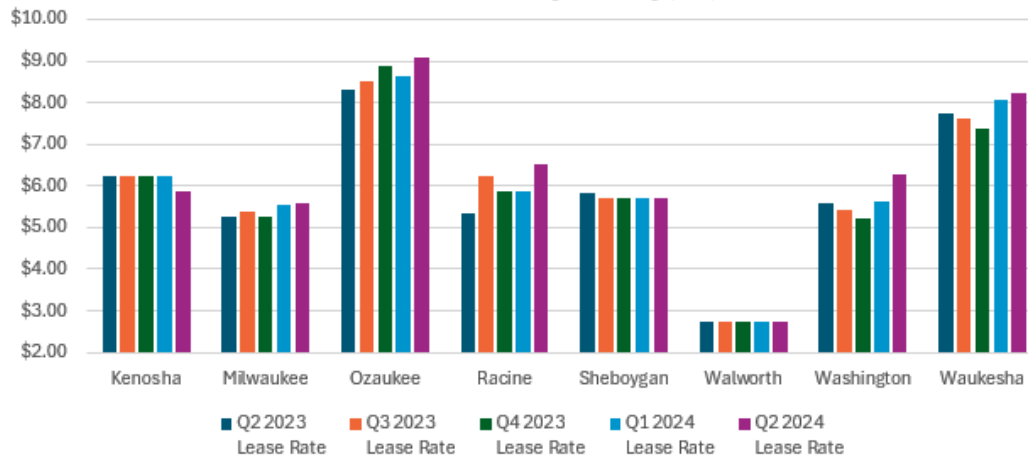
## Available and Vacancy Rates



## Vacancy Rate by County

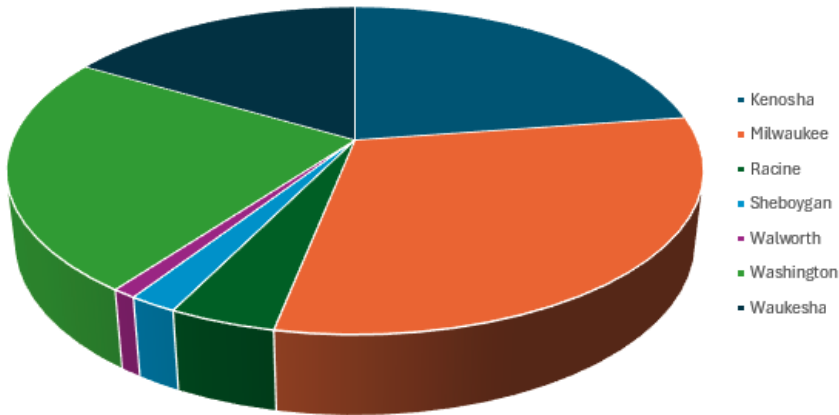


## Lease Rates by County (NNN)



# New Developments

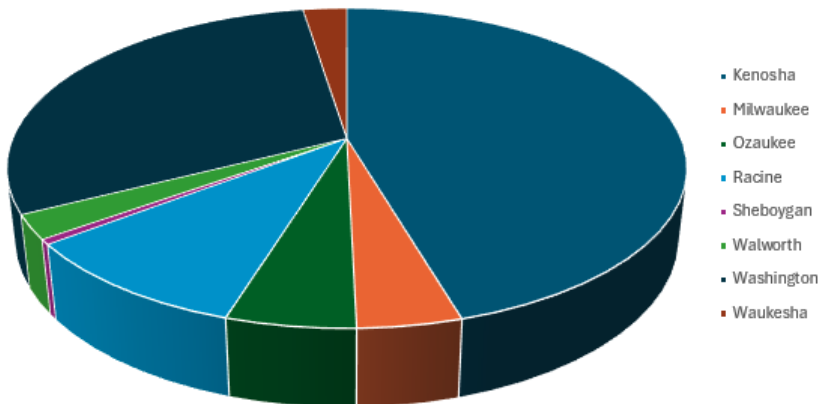
Under Construction (sf)



County	Bldg (sf)
Kenosha	593,564
Milwaukee	796,539
Racine	109,636
Sheboygan	49,500
Walworth	25,000
Washington	610,650
Waukesha	432,952
<b>Grand Total</b>	<b>2,617,841</b>

# Year to Date Deliveries

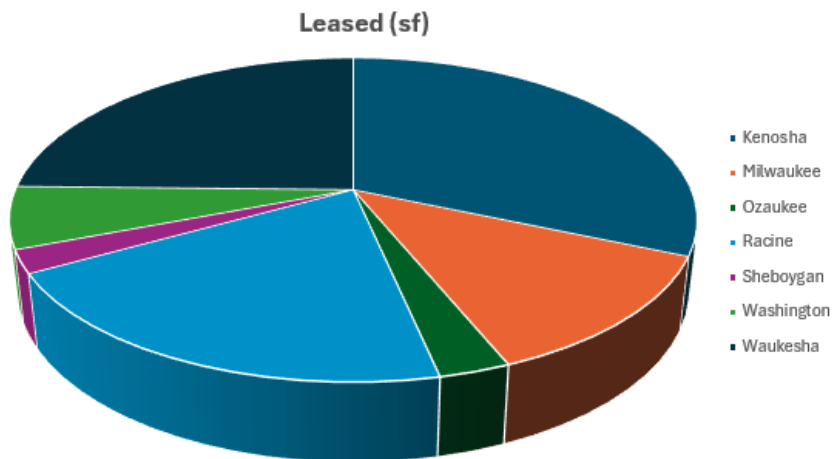
YTD Delivered



County	Bldg (sf)
Kenosha	1,449,000
Milwaukee	133,495
Ozaukee	165,868
Racine	311,360
Sheboygan	16,128
Walworth	78,000
Washington	956,302
Waukesha	79,200
<b>Grand Total</b>	<b>3,189,353</b>

# Leasing Activity

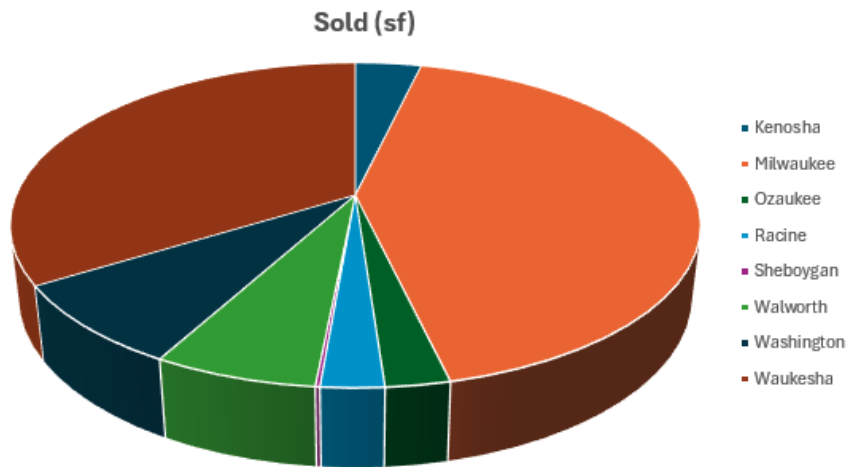
Property	Size (sf)	County	Tenant	Landlord
Bristol Business Park 10200 136th Ave	157,043	Kenosha	ERMCO	EQT Exeter
8505 100th St	147,877	Kenosha	Trifinity Partners	BCore Corridor Pleasant Prairie LLC
13505 Louis Sorenson Rd	68,750	Racine	GZ Media, A.S	Endeavor Investments V LLC
W142 N9251 Fountain Blvd	67,000	Waukesha	Bradley Company, LLC	W142 N9251 Fountain Owner, LP
13301 4 Mile Rd	66,705	Racine	Ontrac	Wispark LLC



County	Leased (sf)
Kenosha	440,587
Milwaukee	172,406
Ozaukee	39,690
Racine	283,278
Sheboygan	32,000
Washington	86,530
Waukesha	345,162
<b>Grand Total</b>	<b>1,399,653</b>

# Sales Activity

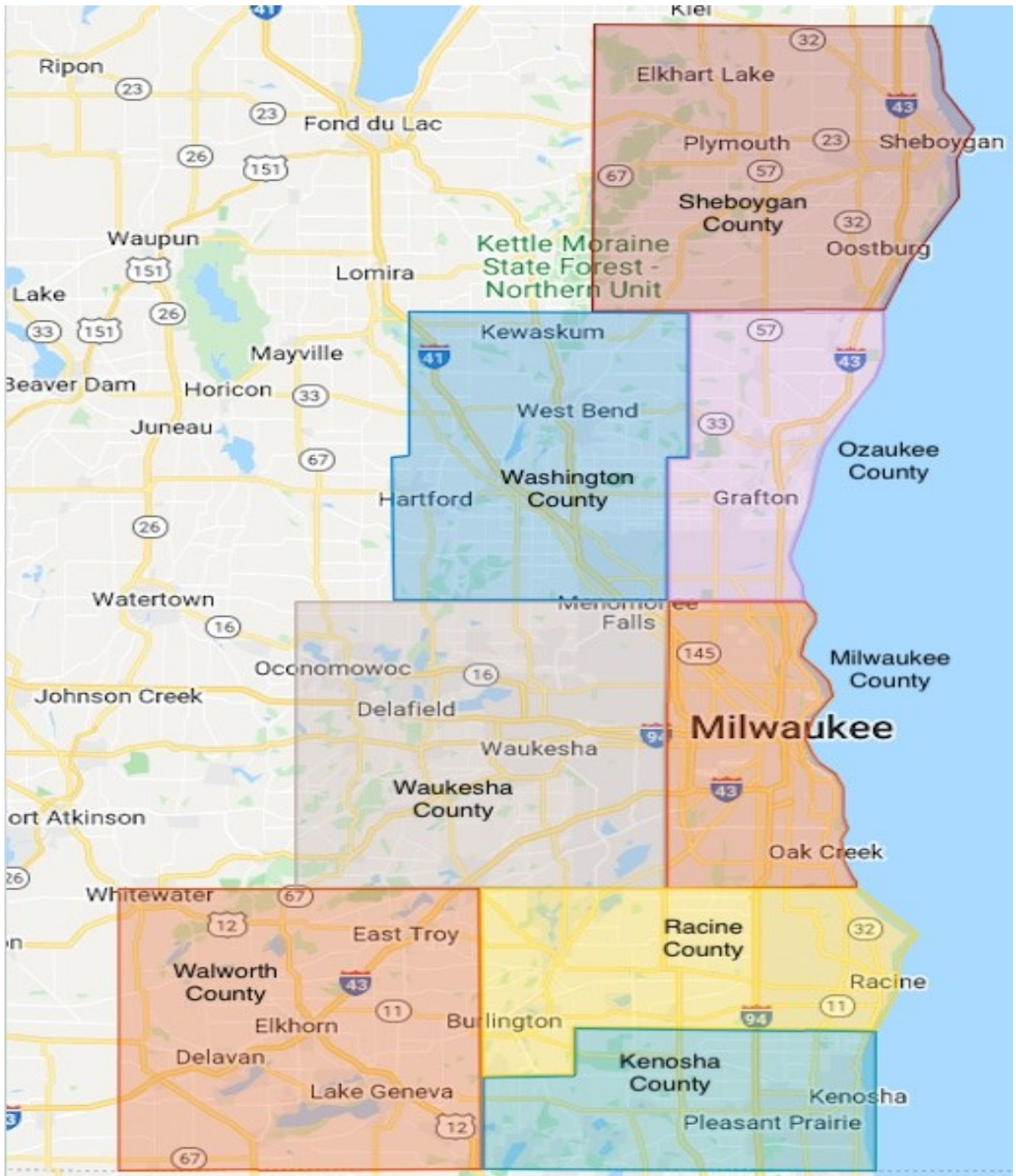
Property	Price	County	Buyer	Seller
Highlands Business Park W251 N5350 Business Dr	\$15,985,400	Waukesha	STAG Industrial Holdings, LLC	Highlands A Industrial 1 LLC
3401 80th St	\$14,500,000	Kenosha	Self-Storage Portfolio XXI DST	80th Street Storage LP
620 E Vienna Ave	\$9,900,000	Milwaukee	Vienna Avenue Industrial LLC	620 K Vienna Avenue LLC
2735 N Calhoun Rd	\$8,050,000	Waukesha	MHC 279 Brookfield WI LLC	Storage Master Inc
555 E Koopman Ln	\$7,659,000	Walworth	555 East Koopman Lane LLC	Stag Industrial Holdings LLC



County	Sold (sf)
Kenosha	82,871
Milwaukee	960,288
Ozaukee	57,482
Racine	56,136
Sheboygan	4,092
Walworth	145,943
Washington	184,665
Waukesha	761,046
<b>Grand Total</b>	<b>2,252,523</b>



# Market County Map



Images courtesy of Google maps



# 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

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