

Market

Trends

Q3 2024

Milwaukee - Office



REDI MOODY'S



MARKET TRENDS

Q3 2024 | Milwaukee | Office

Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	797,260	
Area Unemployment	3.1	
U.S. Unemployment	4.1	
Office Using Jobs	178,400	

Source: BLS

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

Market Recap

All Properties

Total Inventory (sf)	44,982,257
Total # of Bldgs (tracked)	564
Absorption	29,564
Vacancy	18.6%
Asking Rate (FSG)	\$20.87
New Construction (sf)	20,300

Multi-tenant Properties

Total Inventory (sf)	30,592,579
Total # of Bldgs (tracked)	427
Absorption	(1,982)
Vacancy	22.6%
Asking Rate (FSG)	\$20.94

Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Milwaukee metropolitan statistical area (MSA) decreased 110 basis points to 3.1% compared to 4.2% in August 2023. The unemployment rate for the US was at 4.1% in September 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 office using jobs decreased by 6,100 during the same period.

Market Overview

The Milwaukee office market consisting of 44.9 msf of space has posted 29,500 sf positive absorption for Q3 2024. This brings the YTD to (633,700) sf negative absorption. Multi-tenant only properties had (1,900) sf negative absorption. This brings the YTD to (41,000) sf negative absorption. The vacancy rate came in at 18.6% during Q3 2024 for all properties while multi-tenant properties had a vacancy rate of 22.6%.

Market Highlights

Milwaukee Northwest had the largest increase with 38,600 sf positive absorption led by Horizon Health Care leasing 31,500 sf. Milwaukee downtown West topped all markets with (34,500) sf negative absorption. This quarter Milwaukee CBD posted (22,000) sf negative absorption compared to the suburban markets posting 51,800 sf positive absorption. There are currently 2 properties under construction totaling 20,000 sf and five properties were delivered YTD totaling 196,000 sf. There were 92 lease transactions with 308,500 sf during Q3 2024. Twenty six office properties with 811,600 sf sold for \$43.2 million.

Market Overview by Class (Multi and Single Tenant)

Total

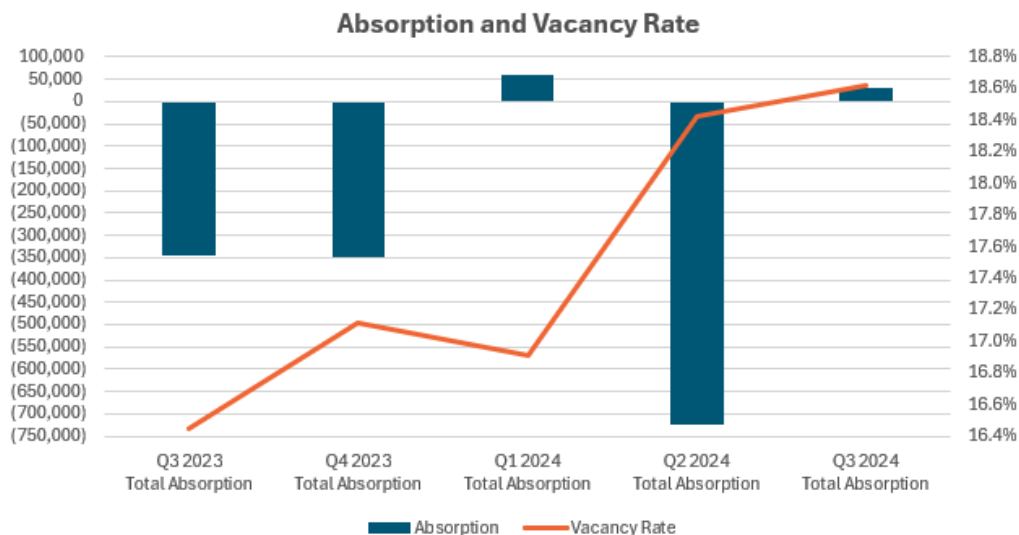
Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
A	54	12,110,350	2,995,162	2,441,862	25,675	(450,139)	20.2%
B	462	30,819,289	6,789,958	5,805,959	6,229	(194,033)	18.8%
C	48	2,052,618	114,087	127,878	(2,340)	10,445	6.2%
Grand Total	564	44,982,257	9,899,207	8,375,699	29,564	(633,727)	18.6%

Direct

Bldg Class	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
A	54	12,110,350	2,430,264	2,094,369	44,536	(181,245)	17.3%
B	462	30,819,289	6,555,117	5,710,219	23,185	(204,321)	18.5%
C	48	2,052,618	111,823	127,878	(2,340)	10,445	6.2%
Grand Total	564	44,982,257	9,097,204	7,932,466	65,381	(375,121)	17.6%

Sublease

Bldg Class	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
A	54	12,110,350	564,898	347,493	(18,861)	(268,894)	2.9%
B	462	30,819,289	207,130	95,740	(16,956)	10,288	0.3%
C	48	2,052,618			0	0	0.0%
Grand Total	564	44,982,257	772,028	443,233	(35,817)	(258,606)	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	1,238,574	910,955	32,288	13,380	15.3%
	B	38	4,388,855	603,272	662,402	(5,169)	(5,108)	15.1%
	C	4	146,389		22,500	0	0	15.4%
	Subtotal	56	10,497,166	1,841,846	1,595,857	27,119	8,272	15.2%
Milwaukee Downtown West	A	2	348,371	76,099	76,099	0	(13,672)	21.8%
	B	31	4,385,524	857,225	775,926	(34,491)	164,868	17.7%
	C	3	234,311	45,000	45,000	0	0	19.2%
	Subtotal	36	4,968,206	978,324	897,025	(34,491)	151,196	18.1%
Third Ward - Walkers Point	A	5	739,907	158,368	161,562	(3,266)	(538)	21.8%
	B	38	2,172,648	513,128	425,396	(11,598)	(25,149)	19.6%
	C	4	120,713	42,963	42,963	0	0	35.6%
	Subtotal	47	3,033,268	714,459	629,921	(14,864)	(25,687)	20.8%
Milwaukee CBD	A	21	7,050,200	1,473,041	1,148,616	29,022	(830)	16.3%
	B	107	10,947,027	1,973,625	1,863,724	(51,258)	134,611	17.0%
	C	11	501,413	87,963	110,463	0	0	22.0%
	Subtotal	139	18,498,640	3,534,629	3,122,803	(22,236)	133,781	16.9%
Brookfield	A	6	547,244	177,101	125,270	(22,000)	(22,076)	22.9%
	B	93	5,609,826	1,641,282	1,315,214	(5,579)	(101,485)	23.4%
	C	3	94,859			0	0	0.0%
	Subtotal	102	6,251,929	1,818,383	1,440,484	(27,579)	(123,561)	23.0%
Mayfair - Wauwatosa	A	15	2,098,871	831,827	676,698	30,646	(261,839)	32.2%
	B	27	1,381,000	335,588	309,921	(321)	4,777	22.4%
	C	7	303,574			0	12,785	0.0%
	Subtotal	49	3,783,445	1,167,415	986,619	30,325	(244,277)	26.1%
Mequon - Thiensville	A	1	37,670		6,237	0	0	16.6%
	B	15	425,823	121,587	75,222	(7,230)	(7,454)	17.7%
	Subtotal	16	463,493	121,587	81,459	(7,230)	(7,454)	17.6%
Milwaukee Central	B	9	691,988	16,000	16,000	0	(16,000)	2.3%
	C	10	562,925			0	0	0.0%
	Subtotal	19	1,254,913	16,000	16,000	0	(16,000)	1.3%
Milwaukee North Shore	A	2	175,962	157,241	157,241	(14,148)	(14,148)	89.4%
	B	34	2,088,786	209,784	177,687	13,431	(51,133)	8.5%
	C	7	271,978	26,124	17,415	(2,340)	(2,340)	6.4%
	Subtotal	43	2,536,726	393,149	352,343	(3,057)	(67,621)	13.9%

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	1,145,553	211,205	211,205	0	(164,306)	18.4%
	B	51	3,352,946	975,391	765,270	38,674	6,972	22.8%
	Subtotal	55	4,498,499	1,186,596	976,475	38,674	(157,334)	21.7%
Milwaukee South	A	1	680,266			0	0	0.0%
	B	25	1,058,418	179,055	130,949	3,588	15,641	12.4%
	C	2	91,658			0	0	0.0%
	Subtotal	28	1,830,342	179,055	130,949	3,588	15,641	7.2%
Milwaukee West Allis	B	19	1,846,834	612,080	503,756	24,122	(131,102)	27.3%
	C	2	61,785			0	0	0.0%
	Subtotal	21	1,908,619	612,080	503,756	24,122	(131,102)	26.4%
Pewaukee	A	4	374,584	144,747	116,595	2,155	13,060	31.1%
	B	30	1,607,085	415,373	336,417	5,856	(4,363)	20.9%
	Subtotal	34	1,981,669	560,120	453,012	8,011	8,697	22.9%
Waukesha Northwest - Lake Country	B	19	621,542	48,220	53,356	(1,770)	22,187	8.6%
	C	1	51,462			0	0	0.0%
	Subtotal	20	673,004	48,220	53,356	(1,770)	22,187	7.9%
Waukesha Southeast - New Berlin	B	16	544,613	208,713	203,708	786	(59,865)	37.4%
	Subtotal	16	544,613	208,713	203,708	786	(59,865)	37.4%
Waukesha Southwest	B	17	643,401	53,260	54,735	(14,070)	(6,819)	8.5%
	C	5	112,964			0	0	0.0%
	Subtotal	22	756,365	53,260	54,735	(14,070)	(6,819)	7.2%
Suburban	A	33	5,060,150	1,522,121	1,293,246	(3,347)	(449,309)	25.6%
	B	355	19,872,262	4,816,333	3,942,235	57,487	(328,644)	19.8%
	C	37	1,551,205	26,124	17,415	(2,340)	10,445	1.1%
	Subtotal	425	26,483,617	6,364,578	5,252,896	51,800	(767,508)	19.8%
Grand Total		564	44,982,257	9,899,207	8,375,699	29,564	(633,727)	18.6%



Vacancy Rates by Market (Multi and Single Tenant)

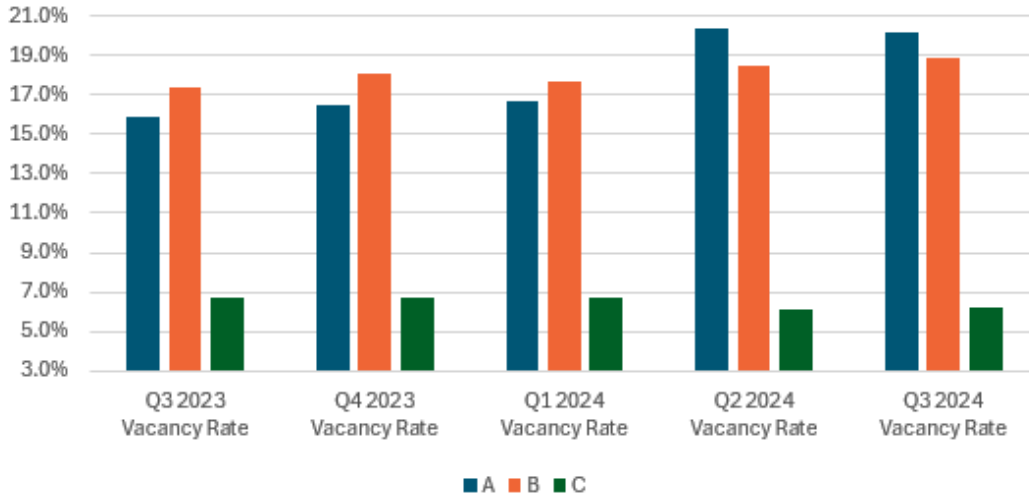
Market	Bldg Class	Q3 2023 Vacancy Rate	Q4 2023 Vacancy Rate	Q1 2024 Vacancy Rate	Q2 2024 Vacancy Rate	Q3 2024 Vacancy Rate
Milwaukee Downtown East	A	14.9%	15.5%	16.2%	15.8%	15.3%
	B	14.7%	14.1%	14.0%	14.1%	15.1%
	C	15.4%	15.4%	15.4%	15.4%	15.4%
	Subtotal	14.8%	14.9%	15.2%	15.1%	15.2%
Milwaukee Downtown West	A	17.9%	17.9%	21.7%	21.8%	21.8%
	B	20.5%	20.9%	17.2%	16.9%	17.7%
	C	19.2%	19.2%	19.2%	19.2%	19.2%
	Subtotal	20.3%	20.6%	17.6%	17.4%	18.1%
Third Ward - Walkers Point	A	21.8%	21.8%	21.8%	21.4%	21.8%
	B	19.8%	18.6%	19.2%	19.0%	19.6%
	C	35.6%	35.6%	35.6%	35.6%	35.6%
	Subtotal	20.9%	20.0%	20.5%	20.3%	20.8%
Milwaukee CBD	A	15.8%	16.3%	17.0%	16.7%	16.3%
	B	18.0%	17.7%	16.3%	16.2%	17.0%
	C	22.0%	22.0%	22.0%	22.0%	22.0%
	Subtotal	17.3%	17.3%	16.7%	16.5%	16.9%
Brookfield	A	8.2%	18.9%	18.9%	18.9%	22.9%
	B	19.9%	21.5%	20.7%	23.3%	23.4%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	18.5%	20.9%	20.2%	22.6%	23.0%
Mayfair - Wauwatosa	A	20.9%	19.8%	18.3%	33.7%	32.2%
	B	22.9%	22.8%	22.3%	22.4%	22.4%
	C	4.2%	4.2%	4.2%	0.0%	0.0%
	Subtotal	20.3%	19.6%	18.6%	26.9%	26.1%
Mequon - Thiensville	A	16.6%	16.6%	16.6%	16.6%	16.6%
	B	16.2%	15.9%	17.0%	16.0%	17.7%
	Subtotal	16.2%	16.0%	16.9%	16.0%	17.6%
Milwaukee Central	B	0.0%	0.0%	2.3%	2.3%	2.3%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	0.0%	0.0%	1.3%	1.3%	1.3%
Milwaukee North Shore	A	80.8%	81.3%	81.3%	81.3%	89.4%
	B	13.0%	11.6%	13.4%	9.1%	8.5%
	C	5.0%	5.5%	5.5%	5.5%	6.4%
	Subtotal	16.7%	15.6%	17.0%	13.8%	13.9%

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

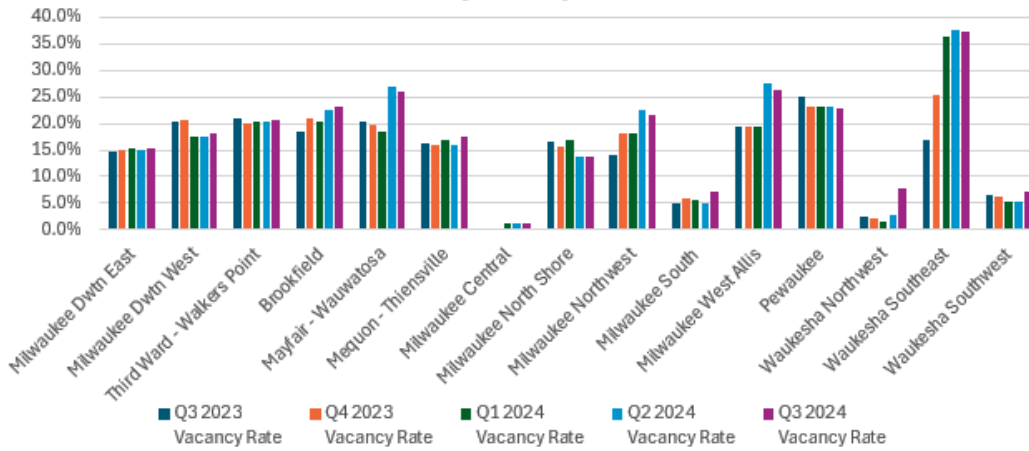
Market	Bldg Class	Q3 2023 Vacancy Rate	Q4 2023 Vacancy Rate	Q1 2024 Vacancy Rate	Q2 2024 Vacancy Rate	Q3 2024 Vacancy Rate
Milwaukee Northwest	A	4.1%	4.1%	4.1%	18.4%	18.4%
	B	17.5%	23.0%	22.9%	24.0%	22.8%
	Subtotal	14.1%	18.2%	18.1%	22.6%	21.7%
Milwaukee South	A	0.0%	0.0%	0.0%	0.0%	0.0%
	B	9.4%	10.6%	10.0%	8.7%	12.4%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	5.1%	5.7%	5.6%	4.9%	7.2%
Milwaukee West Allis	B	19.9%	20.2%	20.2%	28.6%	27.3%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	19.2%	19.5%	19.5%	27.7%	26.4%
Pewaukee	A	34.0%	34.6%	35.1%	31.7%	31.1%
	B	23.0%	20.7%	20.4%	21.3%	20.9%
	Subtotal	25.1%	23.3%	23.1%	23.3%	22.9%
Waukesha Northwest - Lake Country	B	2.8%	2.3%	1.7%	2.9%	8.6%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	2.6%	2.2%	1.5%	2.7%	7.9%
Waukesha Southeast - New Berlin	B	16.7%	25.5%	36.5%	37.5%	37.4%
	Subtotal	16.7%	25.5%	36.5%	37.5%	37.4%
Waukesha Southwest	B	7.4%	7.4%	6.3%	6.3%	8.5%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	6.4%	6.3%	5.4%	5.4%	7.2%
Suburban	A	15.9%	16.7%	16.1%	25.5%	25.6%
	B	16.9%	18.3%	18.5%	19.8%	19.8%
	C	1.7%	1.8%	1.8%	1.0%	1.1%
	Subtotal	15.9%	17.0%	17.0%	19.8%	19.8%
Grand Total		16.4%	17.1%	16.9%	18.4%	18.6%

Vacancy Rates (Multi and Single Tenant)

Vacancy Rate by Class



Vacancy Rate by Market



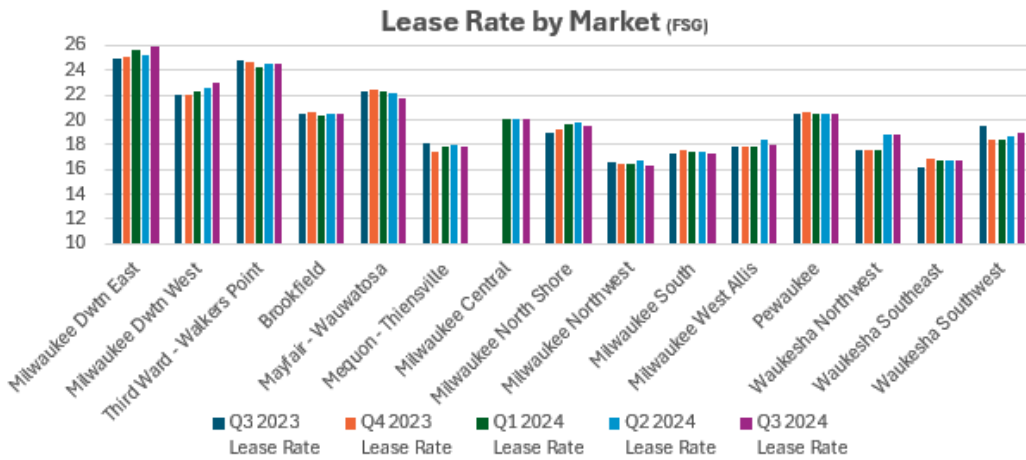
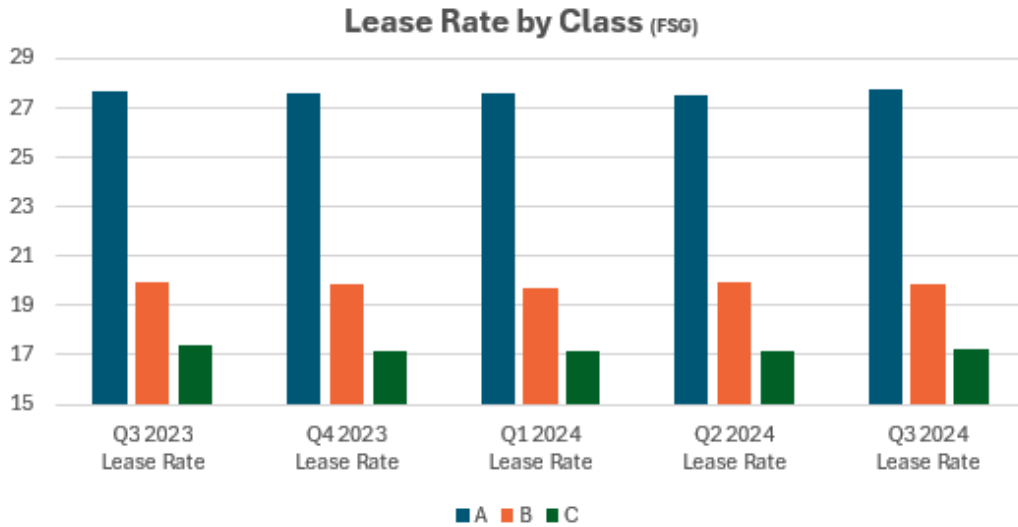
Lease Rates by Market (Multi and Single Tenant)

Market	Bldg Class	Q3 2023 Lease Rate	Q4 2023 Lease Rate	Q1 2024 Lease Rate	Q2 2024 Lease Rate	Q3 2024 Lease Rate
Milwaukee Downtown East	A	\$32.21	\$32.45	\$32.53	\$32.55	\$32.88
	B	\$21.58	\$21.42	\$21.62	\$21.65	\$21.72
	C	\$18.00				
	Subtotal	\$24.97	\$25.10	\$25.59	\$25.28	\$25.97
Milwaukee Downtown West	A				\$28.10	\$28.10
	B	\$22.01	\$22.07	\$22.26	\$22.26	\$22.69
	C					
	Subtotal	\$22.01	\$22.07	\$22.26	\$22.65	\$23.05
Third Ward - Walkers Point	A	\$29.32	\$29.18	\$29.18	\$29.18	\$30.38
	B	\$24.68	\$24.58	\$24.04	\$24.40	\$24.34
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.82	\$24.71	\$24.25	\$24.55	\$24.59
Milwaukee CBD	A	\$31.63	\$31.79	\$31.86	\$31.43	\$31.99
	B	\$22.80	\$22.70	\$22.73	\$22.94	\$23.12
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.15	\$24.19	\$24.28	\$24.32	\$24.69
Brookfield	A	\$24.96	\$25.19	\$25.00	\$25.00	\$25.00
	B	\$20.12	\$20.28	\$20.10	\$20.25	\$20.15
	C					
	Subtotal	\$20.50	\$20.59	\$20.41	\$20.55	\$20.44
Mayfair - Wauwatosa	A	\$26.89	\$26.89	\$26.77	\$26.77	\$26.77
	B	\$19.14	\$19.24	\$19.27	\$19.16	\$18.97
	C					
	Subtotal	\$22.34	\$22.39	\$22.36	\$22.12	\$21.70
Mequon - Thiensville	A					
	B	\$18.18	\$17.44	\$17.79	\$18.01	\$17.81
	Subtotal	\$18.18	\$17.44	\$17.79	\$18.01	\$17.81
Milwaukee Central	B			\$20.00	\$20.00	\$20.00
	C					
	Subtotal			\$20.00	\$20.00	\$20.00
Milwaukee North Shore	A		\$24.00	\$24.00	\$26.00	\$24.00
	B	\$19.56	\$18.42	\$19.41	\$19.22	\$19.42
	C	\$16.75	\$16.75	\$16.75	\$16.75	\$17.00
	Subtotal	\$19.00	\$19.20	\$19.71	\$19.83	\$19.54

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

Market	Bldg Class	Q3 2023 Lease Rate	Q4 2023 Lease Rate	Q1 2024 Lease Rate	Q2 2024 Lease Rate	Q3 2024 Lease Rate
Milwaukee Northwest	A	\$20.25	\$20.25	\$20.25	\$20.25	\$20.25
	B	\$16.35	\$16.12	\$16.18	\$16.50	\$16.16
	Subtotal	\$16.57	\$16.38	\$16.39	\$16.68	\$16.35
Milwaukee South	A					
	B	\$17.28	\$17.57	\$17.45	\$17.45	\$17.21
	Subtotal	\$17.28	\$17.57	\$17.45	\$17.45	\$17.21
Milwaukee West Allis	B	\$17.88	\$17.83	\$17.88	\$18.43	\$18.00
	C					
	Subtotal	\$17.88	\$17.83	\$17.88	\$18.43	\$18.00
Pewaukee	A	\$23.78	\$23.80	\$23.80	\$23.49	\$23.49
	B	\$19.59	\$19.68	\$19.48	\$19.59	\$19.60
	Subtotal	\$20.52	\$20.59	\$20.44	\$20.46	\$20.46
Waukesha Northwest - Lake Country	B	\$17.63	\$17.63	\$17.63	\$18.88	\$18.75
	C					
	Subtotal	\$17.63	\$17.63	\$17.63	\$18.88	\$18.75
Waukesha Southeast - New Berlin	B	\$16.17	\$16.88	\$16.75	\$16.75	\$16.75
	Subtotal	\$16.17	\$16.88	\$16.75	\$16.75	\$16.75
Waukesha Southwest	B	\$19.58	\$18.41	\$18.40	\$18.69	\$19.00
	C					
	Subtotal	\$19.58	\$18.41	\$18.40	\$18.69	\$19.00
Suburban	A	\$25.22	\$25.13	\$25.05	\$25.21	\$24.98
	B	\$18.90	\$18.81	\$18.73	\$18.89	\$18.79
	C	\$16.75	\$16.75	\$16.75	\$16.75	\$17.00
	Subtotal	\$19.56	\$19.53	\$19.41	\$19.57	\$19.43
Grand Total		\$20.86	\$20.87	\$20.72	\$20.88	\$20.87

Lease Rates (Multi and Single Tenant)



Market Overview by Class (Multi-Tenant Properties)

Total

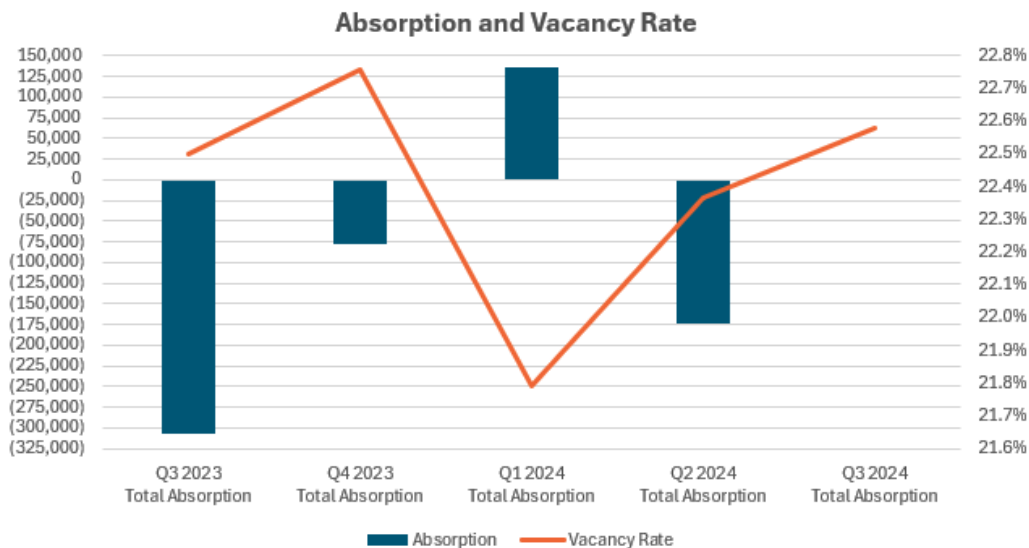
Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
A	43	7,966,125	2,384,148	1,960,669	25,675	(31,373)	24.6%
B	350	21,113,472	5,717,401	4,863,944	(25,317)	(20,079)	23.0%
C	34	1,512,982	69,087	82,878	(2,340)	10,445	5.5%
Grand Total	427	30,592,579	8,170,636	6,907,491	(1,982)	(41,007)	22.6%

Direct

Bldg Class	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
A	43	7,966,125	2,220,958	1,930,063	44,536	(16,939)	24.2%
B	350	21,113,472	5,482,560	4,768,204	(8,361)	(30,367)	22.6%
C	34	1,512,982	66,823	82,878	(2,340)	10,445	5.5%
Grand Total	427	30,592,579	7,770,341	6,781,145	33,835	(36,861)	22.2%

Sublease

Bldg Class	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
A	43	7,966,125	163,190	30,606	(18,861)	(14,434)	0.4%
B	350	21,113,472	207,130	95,740	(16,956)	10,288	0.5%
C	34	1,512,982			0	0	0.0%
Grand Total	427	30,592,579	370,320	126,346	(35,817)	(4,146)	0.4%



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	1,238,574	910,955	32,288	13,380	19.5%
	B	29	2,525,343	603,272	662,402	(5,169)	(5,108)	26.2%
	C	3	115,387		22,500	0	0	19.5%
	Subtotal	44	7,318,186	1,841,846	1,595,857	27,119	8,272	21.8%
Milwaukee Downtown West	A	1	68,371	13,672	13,672	0	(13,672)	20.0%
	B	24	3,020,801	857,225	775,926	(34,491)	164,868	25.7%
	C	1	95,561			0	0	0.0%
	Subtotal	26	3,184,733	870,897	789,598	(34,491)	151,196	24.8%
Third Ward - Walkers Point	A	2	297,047	158,368	161,562	(3,266)	(538)	54.4%
	B	33	1,984,556	513,128	383,396	(11,598)	(25,149)	19.3%
	C	4	120,713	42,963	42,963	0	0	35.6%
	Subtotal	39	2,402,316	714,459	587,921	(14,864)	(25,687)	24.5%
Milwaukee CBD	A	15	5,042,874	1,410,614	1,086,189	29,022	(830)	21.5%
	B	86	7,530,700	1,973,625	1,821,724	(51,258)	134,611	24.2%
	C	8	331,661	42,963	65,463	0	0	19.7%
	Subtotal	109	12,905,235	3,427,202	2,973,376	(22,236)	133,781	23.0%
Brookfield	A	5	502,244	132,101	125,270	(22,000)	(22,076)	24.9%
	B	77	4,030,841	1,423,487	1,124,124	(5,579)	28,015	27.9%
	C	1	37,897			0	0	0.0%
	Subtotal	83	4,570,982	1,555,588	1,249,394	(27,579)	5,939	27.3%
Mayfair - Wauwatosa	A	14	1,661,707	492,546	422,238	30,646	(7,379)	25.4%
	B	23	1,240,796	335,588	309,921	(321)	4,777	25.0%
	C	6	268,078			0	12,785	0.0%
	Subtotal	43	3,170,581	828,134	732,159	30,325	10,183	23.1%
Mequon - Thiensville	A	1	37,670		6,237	0	0	16.6%
	B	13	368,887	121,587	75,222	(7,230)	(7,454)	20.4%
	Subtotal	14	406,557	121,587	81,459	(7,230)	(7,454)	20.0%
Milwaukee Central	B	5	216,780			0	0	0.0%
	C	6	406,133			0	0	0.0%
	Subtotal	11	622,913			0	0	0.0%
Milwaukee North Shore	A	2	175,962	157,241	157,241	(14,148)	(14,148)	89.4%
	B	28	1,489,182	127,218	127,121	13,431	(51,133)	8.5%
	C	7	271,978	26,124	17,415	(2,340)	(2,340)	6.4%
	Subtotal	37	1,937,122	310,583	301,777	(3,057)	(67,621)	15.6%

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	29	1,765,995	586,903	490,619	7,128	(24,574)	27.8%
	Subtotal	31	1,937,079	633,802	537,518	7,128	(24,574)	27.7%
Milwaukee South	B	19	795,979	179,055	130,949	3,588	15,641	16.5%
	C	2	91,658			0	0	0.0%
	Subtotal	21	887,637	179,055	130,949	3,588	15,641	14.8%
Milwaukee West Allis	B	16	1,722,795	588,380	480,056	24,122	(131,102)	27.9%
	C	1	27,516			0	0	0.0%
	Subtotal	17	1,750,311	588,380	480,056	24,122	(131,102)	27.4%
Pewaukee	A	4	374,584	144,747	116,595	2,155	13,060	31.1%
	B	20	849,517	238,413	159,457	5,856	(4,363)	18.8%
	Subtotal	24	1,224,101	383,160	276,052	8,011	8,697	22.6%
Waukesha Northwest - Lake Country	B	12	319,673	48,220	53,356	(1,770)	22,187	16.7%
	Subtotal	12	319,673	48,220	53,356	(1,770)	22,187	16.7%
Waukesha Southeast - New Berlin	B	8	227,541	41,665	36,660	786	135	16.1%
	Subtotal	8	227,541	41,665	36,660	786	135	16.1%
Waukesha Southwest	B	14	554,786	53,260	54,735	(14,070)	(6,819)	9.9%
	C	3	78,061			0	0	0.0%
	Subtotal	17	632,847	53,260	54,735	(14,070)	(6,819)	8.6%
Suburban	A	28	2,923,251	973,534	874,480	(3,347)	(30,543)	29.9%
	B	264	13,582,772	3,743,776	3,042,220	25,941	(154,690)	22.4%
	C	26	1,181,321	26,124	17,415	(2,340)	10,445	1.5%
	Subtotal	318	17,687,344	4,743,434	3,934,115	20,254	(174,788)	22.2%
Grand Total		427	30,592,579	8,170,636	6,907,491	(1,982)	(41,007)	22.6%



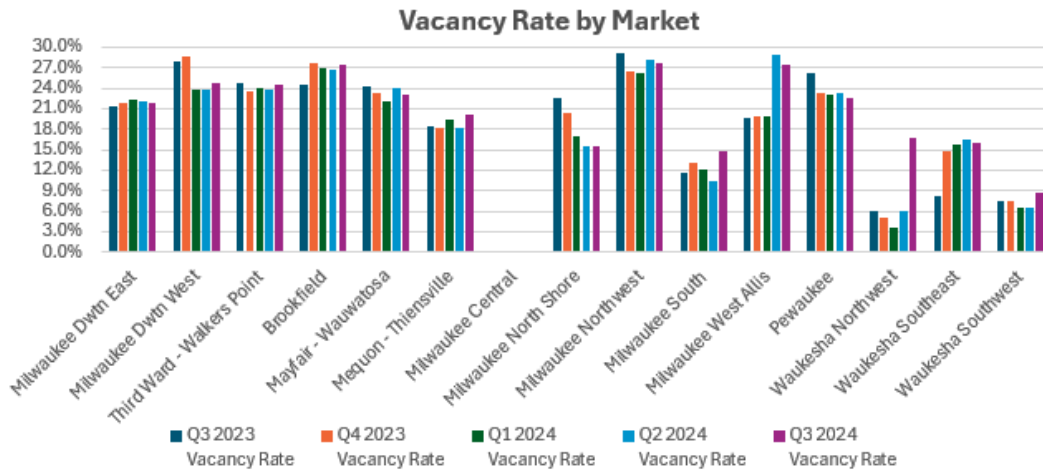
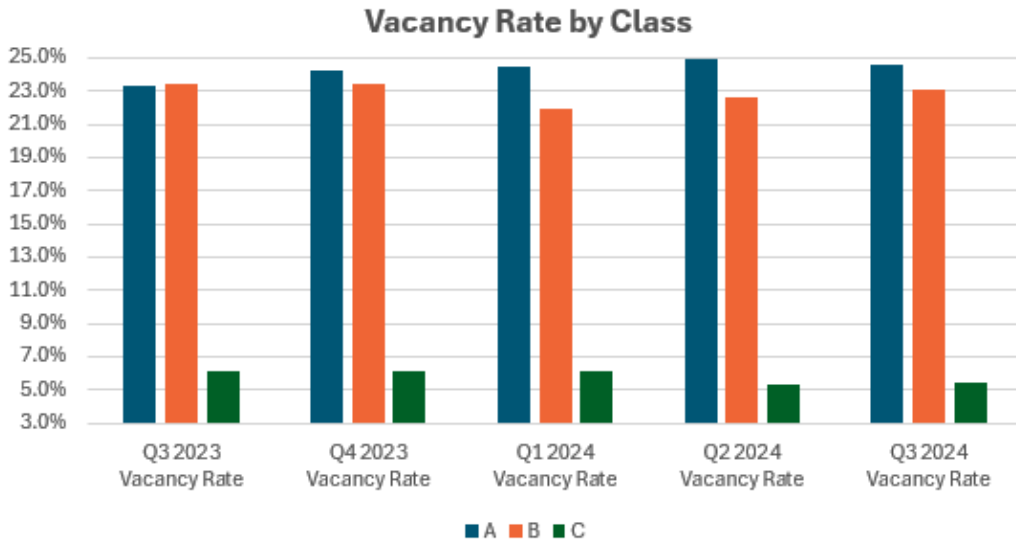
Vacancy Rates by Market (Multi-Tenant)

Market	Bldg Class	Q3 2023 Vacancy Rate	Q4 2023 Vacancy Rate	Q1 2024 Vacancy Rate	Q2 2024 Vacancy Rate	Q3 2024 Vacancy Rate
Milwaukee Downtown East	A	19.0%	19.8%	20.6%	20.2%	19.5%
	B	25.5%	26.0%	25.9%	26.0%	26.2%
	C	19.5%	19.5%	19.5%	19.5%	19.5%
	Subtotal	21.3%	21.9%	22.4%	22.2%	21.8%
Milwaukee Downtown West	A	0.0%	0.0%	19.0%	20.0%	20.0%
	B	29.5%	30.0%	24.7%	24.5%	25.7%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	28.0%	28.6%	23.9%	23.7%	24.8%
Third Ward - Walkers Point	A	54.2%	54.2%	54.2%	53.3%	54.4%
	B	19.5%	18.2%	18.9%	18.7%	19.3%
	C	35.6%	35.6%	35.6%	35.6%	35.6%
	Subtotal	24.6%	23.6%	24.1%	23.9%	24.5%
Milwaukee CBD	A	20.8%	21.5%	22.6%	22.1%	21.5%
	B	25.6%	25.7%	23.6%	23.5%	24.2%
	C	19.7%	19.7%	19.7%	19.7%	19.7%
	Subtotal	23.6%	23.9%	23.1%	22.9%	23.0%
Brookfield	A	9.0%	20.5%	20.5%	20.6%	24.9%
	B	26.6%	28.8%	27.9%	27.7%	27.9%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	24.5%	27.7%	26.8%	26.7%	27.3%
Mayfair - Wauwatosa	A	26.3%	25.0%	23.1%	27.3%	25.4%
	B	25.4%	25.4%	24.8%	25.0%	25.0%
	C	4.8%	4.8%	4.8%	0.0%	0.0%
	Subtotal	24.2%	23.4%	22.2%	24.0%	23.1%
Mequon - Thiensville	A	16.6%	16.6%	16.6%	16.6%	16.6%
	B	18.7%	18.4%	19.6%	18.4%	20.4%
	Subtotal	18.5%	18.2%	19.3%	18.3%	20.0%
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	80.8%	81.3%	81.3%	81.3%	89.4%
	B	17.0%	13.8%	11.6%	9.4%	8.5%
	C	5.0%	5.5%	5.5%	5.5%	6.4%
	Subtotal	22.5%	20.5%	16.9%	15.4%	15.6%

Vacancy Rates by Market (Multi-Tenant—Cont)

Market	Bldg Class	Q3 2023 Vacancy Rate	Q4 2023 Vacancy Rate	Q1 2024 Vacancy Rate	Q2 2024 Vacancy Rate	Q3 2024 Vacancy Rate
Milwaukee Northwest	A	27.4%	27.4%	27.4%	27.4%	27.4%
	B	29.4%	26.4%	26.2%	28.2%	27.8%
	Subtotal	29.2%	26.5%	26.3%	28.1%	27.7%
Milwaukee South	B	13.1%	14.8%	13.4%	11.7%	16.5%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	11.5%	13.0%	12.0%	10.4%	14.8%
Milwaukee West Allis	B	19.9%	20.3%	20.2%	29.3%	27.9%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	19.6%	19.9%	19.9%	28.8%	27.4%
Pewaukee	A	34.0%	34.6%	35.1%	31.7%	31.1%
	B	22.7%	18.3%	17.7%	19.5%	18.8%
	Subtotal	26.1%	23.3%	23.0%	23.2%	22.6%
Waukesha Northwest - Lake Country	B	6.1%	5.1%	3.6%	6.0%	16.7%
	Subtotal	6.1%	5.1%	3.6%	6.0%	16.7%
Waukesha Southeast - New Berlin	B	8.3%	14.9%	15.8%	16.5%	16.1%
	Subtotal	8.3%	14.9%	15.8%	16.5%	16.1%
Waukesha Southwest	B	8.6%	8.6%	7.3%	7.3%	9.9%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	7.6%	7.6%	6.4%	6.4%	8.6%
Suburban	A	27.6%	28.9%	27.9%	29.8%	29.9%
	B	22.1%	22.1%	20.9%	22.1%	22.4%
	C	2.2%	2.4%	2.4%	1.3%	1.5%
	Subtotal	21.7%	21.9%	20.8%	22.0%	22.2%
Grand Total		22.5%	22.8%	21.8%	22.4%	22.6%

Vacancy Rates (Multi-Tenant)



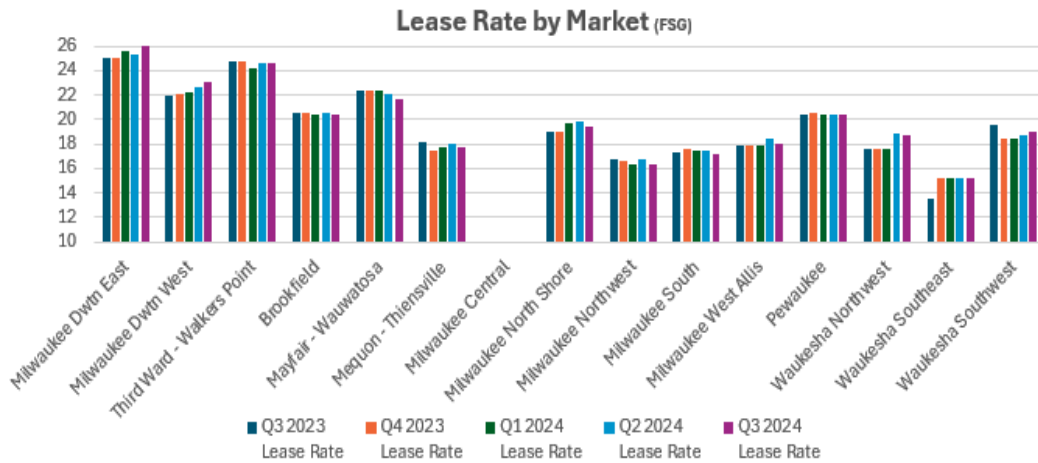
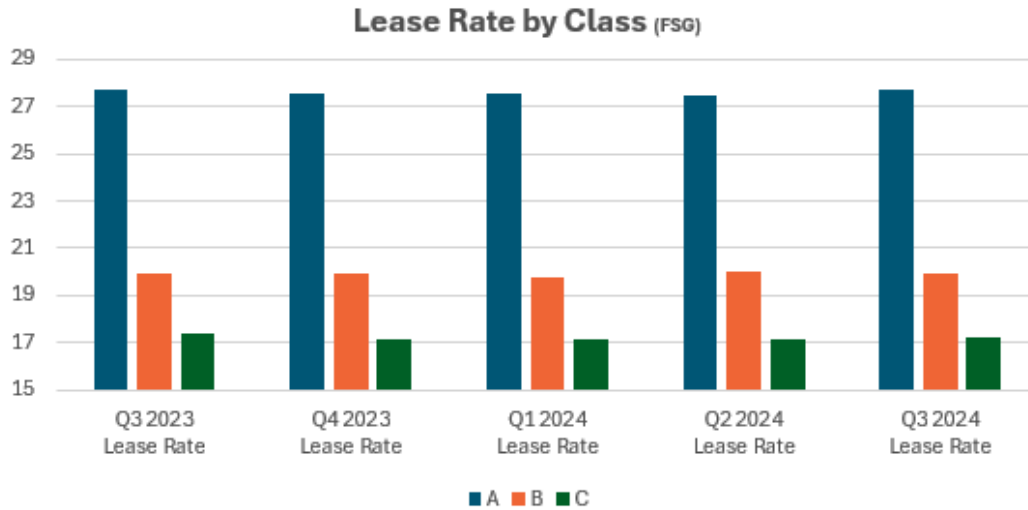
Lease Rates by Market (Multi-Tenant)

Market	Bldg Class	Q3 2023 Lease Rate	Q4 2023 Lease Rate	Q1 2024 Lease Rate	Q2 2024 Lease Rate	Q3 2024 Lease Rate
Milwaukee Downtown East	A	\$32.21	\$32.45	\$32.53	\$32.55	\$32.88
	B	\$21.58	\$21.42	\$21.62	\$21.65	\$21.72
	C	\$18.00				
	Subtotal	\$24.97	\$25.10	\$25.59	\$25.28	\$25.97
Milwaukee Downtown West	A				\$28.10	\$28.10
	B	\$22.01	\$22.07	\$22.26	\$22.26	\$22.69
	C					
	Subtotal	\$22.01	\$22.07	\$22.26	\$22.65	\$23.05
Third Ward - Walkers Point	A	\$29.32	\$29.18	\$29.18	\$29.18	\$30.38
	B	\$24.68	\$24.58	\$24.04	\$24.40	\$24.34
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.82	\$24.71	\$24.25	\$24.55	\$24.59
Milwaukee CBD	A	\$31.63	\$31.79	\$31.86	\$31.43	\$31.99
	B	\$22.80	\$22.70	\$22.73	\$22.94	\$23.12
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.15	\$24.19	\$24.28	\$24.32	\$24.69
Brookfield	A	\$24.96	\$25.19	\$25.00	\$25.00	\$25.00
	B	\$20.12	\$20.28	\$20.10	\$20.25	\$20.15
	C					
	Subtotal	\$20.50	\$20.59	\$20.41	\$20.55	\$20.44
Mayfair - Wauwatosa	A	\$26.89	\$26.89	\$26.77	\$26.77	\$26.77
	B	\$19.14	\$19.24	\$19.27	\$19.16	\$18.97
	C					
	Subtotal	\$22.34	\$22.39	\$22.36	\$22.12	\$21.70
Mequon - Thiensville	A					
	B	\$18.18	\$17.44	\$17.79	\$18.01	\$17.81
	Subtotal	\$18.18	\$17.44	\$17.79	\$18.01	\$17.81
Milwaukee Central	B					
	C					
	Subtotal					
Milwaukee North Shore	A		\$24.00	\$24.00	\$26.00	\$24.00
	B	\$19.56	\$18.00	\$19.27	\$19.07	\$19.32
	C	\$16.75	\$16.75	\$16.75	\$16.75	\$17.00
	Subtotal	\$19.00	\$19.06	\$19.64	\$19.78	\$19.48

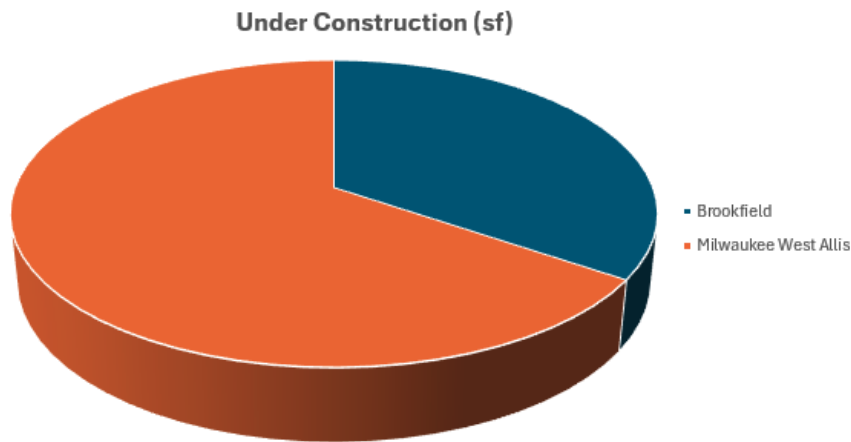
Lease Rates by Market (Multi-Tenant-Cont)

Market	Bldg Class	Q3 2023 Lease Rate	Q4 2023 Lease Rate	Q1 2024 Lease Rate	Q2 2024 Lease Rate	Q3 2024 Lease Rate
Milwaukee Northwest	A	\$20.25	\$20.25	\$20.25	\$20.25	\$20.25
	B	\$16.57	\$16.33	\$16.11	\$16.50	\$16.10
	Subtotal	\$16.80	\$16.61	\$16.37	\$16.72	\$16.33
Milwaukee South	B	\$17.28	\$17.57	\$17.45	\$17.45	\$17.21
	C					
	Subtotal	\$17.28	\$17.57	\$17.45	\$17.45	\$17.21
Milwaukee West Allis	B	\$17.88	\$17.83	\$17.88	\$18.43	\$18.00
	C					
	Subtotal	\$17.88	\$17.83	\$17.88	\$18.43	\$18.00
Pewaukee	A	\$23.78	\$23.80	\$23.80	\$23.49	\$23.49
	B	\$19.44	\$19.53	\$19.48	\$19.59	\$19.60
	Subtotal	\$20.46	\$20.54	\$20.44	\$20.46	\$20.46
Waukesha Northwest - Lake Country	B	\$17.63	\$17.63	\$17.63	\$18.88	\$18.75
	Subtotal	\$17.63	\$17.63	\$17.63	\$18.88	\$18.75
Waukesha Southeast - New Berlin	B	\$13.50	\$15.17	\$15.17	\$15.17	\$15.17
	Subtotal	\$13.50	\$15.17	\$15.17	\$15.17	\$15.17
Waukesha Southwest	B	\$19.58	\$18.41	\$18.40	\$18.69	\$19.00
	C					
	Subtotal	\$19.58	\$18.41	\$18.40	\$18.69	\$19.00
Suburban	A	\$25.22	\$25.13	\$25.05	\$25.21	\$24.98
	B	\$18.92	\$18.82	\$18.73	\$18.91	\$18.80
	C	\$16.75	\$16.75	\$16.75	\$16.75	\$17.00
	Subtotal	\$19.60	\$19.56	\$19.44	\$19.61	\$19.46
Grand Total		\$20.91	\$20.92	\$20.78	\$20.95	\$20.94

Lease Rates (Multi-Tenant)

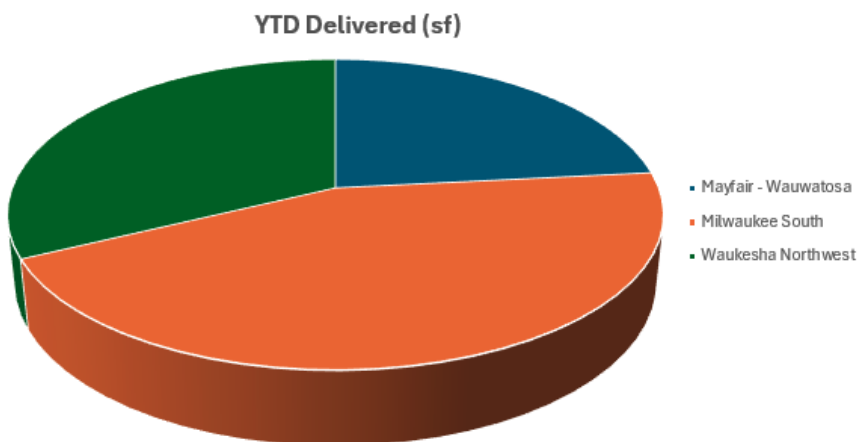


Under Construction



Market	Bldg (sf)
Brookfield	7,000
Milwaukee West Allis	13,300
Grand Total	20,300

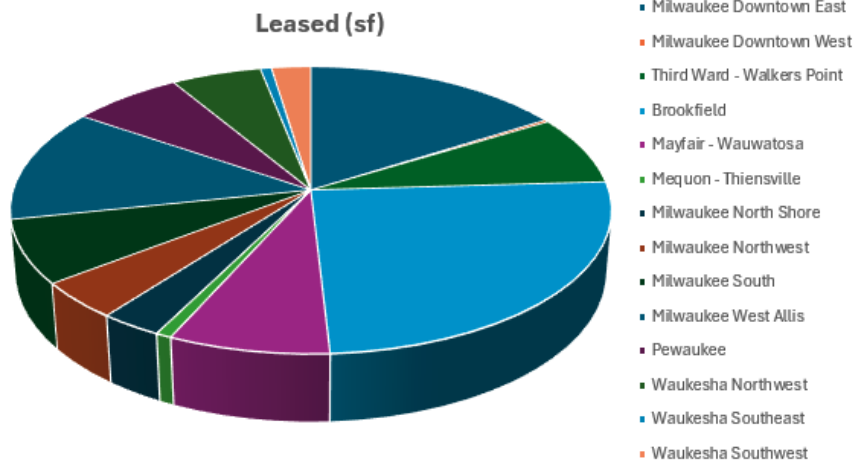
YTD Delivered



Market	Bldg (sf)
Mayfair - Wauwatosa	45,823
Milwaukee South	87,128
Waukesha Northwest	63,144
Grand Total	196,095

Leasing Activity

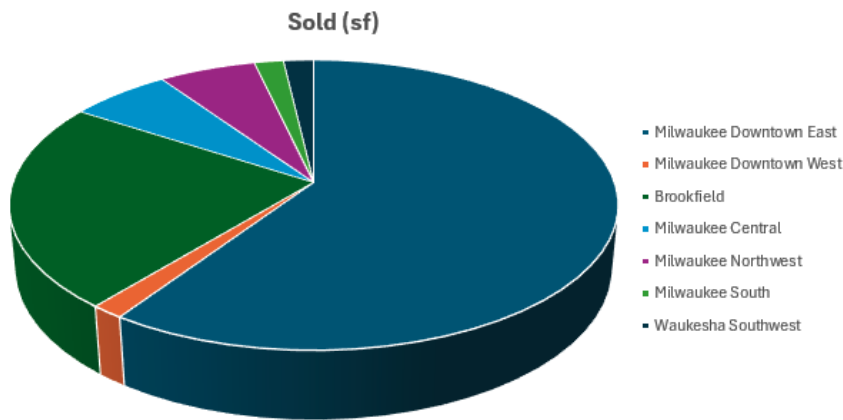
Property	Size (sf)	Market	Tenant	Landlord
US Bank Center 777 E Wisconsin Ave	27,276	Milwaukee Dwtm East	DeLoitte	US BK National ASSN
13400 Bishops Ln	13,400	Brookfield	Founders 3 Management	Flagg Group Brookfield LLC
Brookfield Lakes X 18650 W Corporate Dr	10,519	Brookfield	Firecrown Media	Corporate 186 LLC
Corporate Woods 375 Bishops Way	10,086	Brookfield	Genesee Community Services	Corporate Woods LLC
The Global Water Center 247 W Freshwater Way	7,957	Third Ward - Walkers Point	SmithGroup	247 Freshwater LLC



Market	Leased (sf)
Milwaukee Downtown East	49,465
Milwaukee Downtown West	780
Third Ward - Walkers Point	24,007
Brookfield	77,257
Mayfair - Wauwatosa	23,497
Mequon - Thiensville	2,317
Milwaukee North Shore	9,074
Milwaukee Northwest	12,878
Milwaukee South	22,018
Milwaukee West Allis	39,484
Pewaukee	21,079
Waukesha Northwest	17,081
Waukesha Southeast	2,114
Waukesha Southwest	7,448
Grand Total	308,499

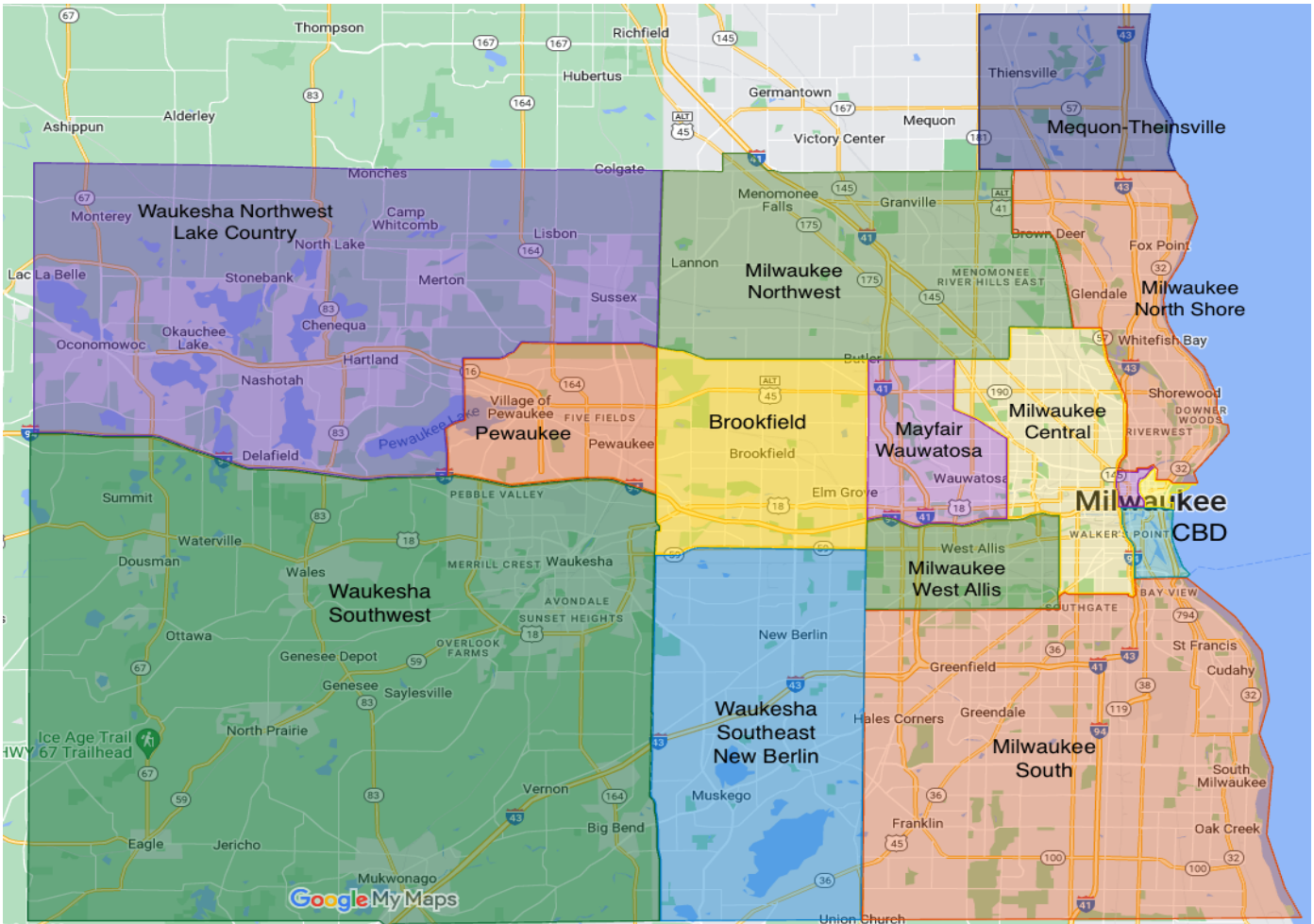
Sales Activity

Property	Price	Market	Buyer	Seller
CityCenter at 735 735 N Water ST	\$17,441,499	Milwaukee Dwtm East	City Center Milwaukee Holdings LLC	Compass Properties North Water Street LLC
21027 Crossroads Cir	\$6,600,000	Brookfield	Silgan Containers Manufacturing Corporation	Kalmbach Publishing Co
12700 W Bluemound Rd	\$3,659,900	Brookfield	12700 Bluemound Road, LLC	Annex 127, LLC
518-522 N Water St	\$1,760,000	Milwaukee Dwtm East	Horatio Properties II LLC	Janesland Properties LLC
6215 W Bradley Rd	\$1,500,000	Milwaukee Northwest	APIF - Wisconsin, LLC	Nowak Community Property Trust

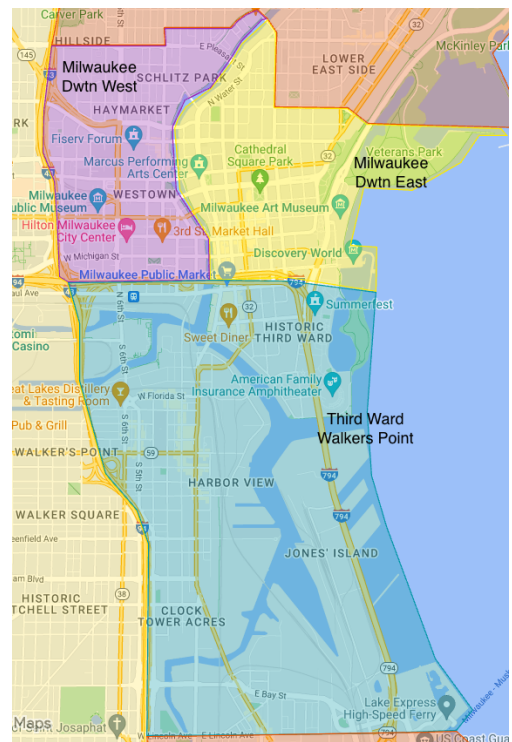


Market	Sold (sf)
Milwaukee Downtown East	482,754
Milwaukee Downtown West	12,425
Brookfield	187,513
Milwaukee Central	50,751
Milwaukee Northwest	48,573
Milwaukee South	14,615
Waukesha Southwest	15,020
Grand Total	811,651

Market Map



Milwaukee CBD Markets



Images courtesy of Google maps

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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