

Market

Trends

Q4 2024

Milwaukee - Office



REDI MOODY'S



MARKET TRENDS

Q4 2024 | Milwaukee | Office

Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	804,080	
Area Unemployment	3.0	
U.S. Unemployment	4.2	
Office Using Jobs	175,900	

Source: BLS

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

Market Recap

All Properties

Total Inventory <small>(sf)</small>	44,435,936
Total # of Bldgs <small>(tracked)</small>	564
Absorption	(311,140)
Vacancy	19.8%
Asking Rate <small>(FSG)</small>	\$20.91
New Construction <small>(sf)</small>	7,000

Multi-tenant Properties

Total Inventory <small>(sf)</small>	30,779,155
Total # of Bldgs <small>(tracked)</small>	428
Absorption	(293,586)
Vacancy	23.9%
Asking Rate <small>(FSG)</small>	\$20.97

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 3.0% compared to 3.1% in November 2023. The unemployment rate for the US was at 4.2% in November 2024 which increased 50 basis points from last year. State of Wisconsin unemployment was 2.9% for this quarter. The Milwaukee MSA saw a increase in job growth while office using jobs decreased by 3,800 during the same period.

Market Overview

The Milwaukee office market consisting of 44.4 msf of space has posted (341,100) sf negative absorption for Q4 2024. This brings the YTD to (944,800) sf negative absorption. Multi-tenant only properties had (293,500) sf negative absorption. This brings the YTD to (344,500) sf negative absorption. The vacancy rate came in at 19.8% during Q4 2024 for all properties while multi-tenant properties had a vacancy rate of 23.9%.

Market Highlights

Waukesha Southeast—New Berlin had the largest increase with 38,400 sf positive absorption led by Atos leasing 25,000 sf. Milwaukee Downtown East topped all markets with (234,700) sf negative absorption led by Johnson Controls vacating their property. This quarter Milwaukee CBD posted (237,800) sf negative absorption compared to the suburban markets posting (73,200) sf negative absorption. There is currently one property under construction totaling 7,000 sf and eight properties were delivered YTD totaling 259,000 sf. There were 91 lease transactions with 298,500 sf during Q4 2024. Thirty one office properties with 884,900 sf sold for \$45 million.

Market Overview by Class (Multi and Single Tenant)

Total

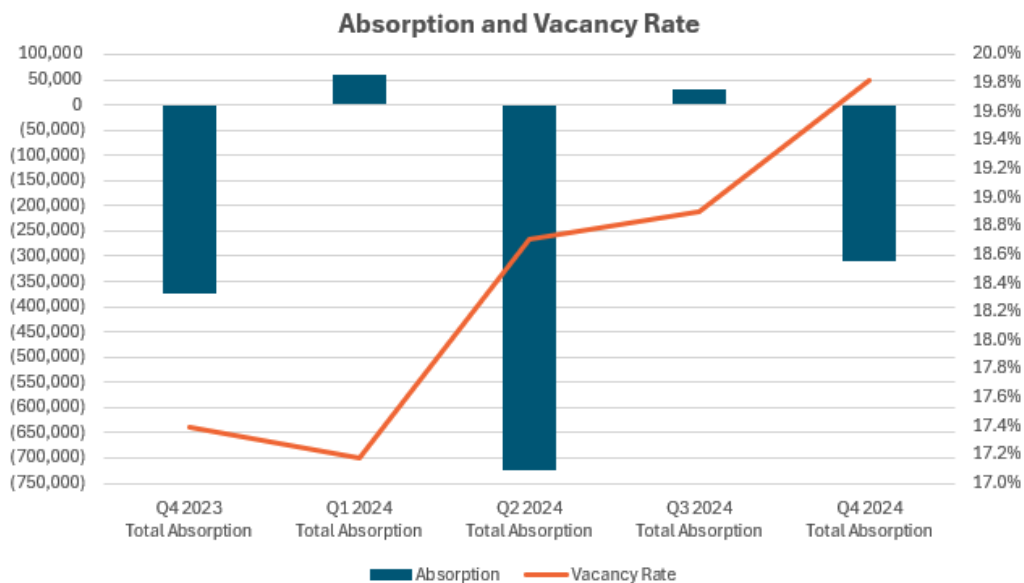
Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
A	55	12,085,806	2,900,814	2,505,272	(25,457)	(475,596)	20.7%
B	461	30,297,512	7,051,907	6,171,736	(283,419)	(477,399)	20.4%
C	48	2,052,618	114,087	130,142	(2,264)	8,181	6.3%
Grand Total	564	44,435,936	10,066,808	8,807,150	(311,140)	(944,814)	19.8%

Direct

Bldg Class	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
A	55	12,085,806	2,250,416	2,106,842	25,480	(155,765)	17.4%
B	461	30,297,512	6,845,156	6,052,091	(259,514)	(498,676)	20.0%
C	48	2,052,618	111,823	127,878	0	10,445	6.2%
Grand Total	564	44,435,936	9,207,395	8,286,811	(234,034)	(643,996)	18.6%

Sublease

Bldg Class	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
A	55	12,085,806	650,398	398,430	(50,937)	(319,831)	3.3%
B	461	30,297,512	206,751	119,645	(23,905)	21,277	0.4%
C	48	2,052,618	2,264	2,264	(2,264)	(2,264)	0.1%
Grand Total	564	44,435,936	859,413	520,339	(77,106)	(300,818)	1.2%

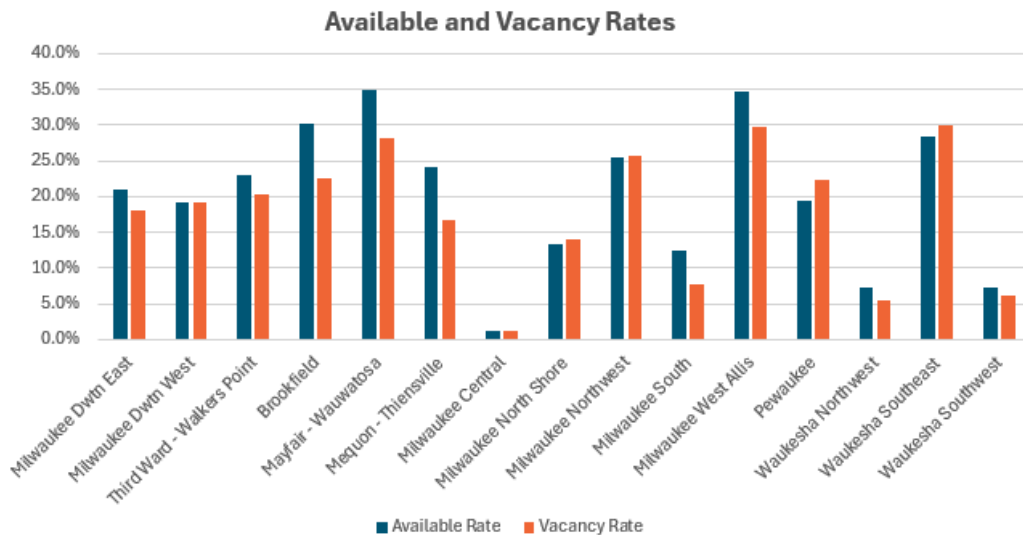


Market Statistics by Market (Multi and Single Tenant)

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	5,911,378	1,207,523	919,513	3,395	16,775	15.6%
	B	38	4,191,916	943,310	902,925	(238,147)	(245,631)	21.5%
	C	4	146,389		22,500	0	0	15.4%
	Subtotal	56	10,249,683	2,150,833	1,844,938	(234,752)	(228,856)	18.0%
Milwaukee Downtown West	A	2	348,371	72,332	72,332	3,767	(9,905)	20.8%
	B	31	4,358,399	833,022	833,103	(19,510)	145,358	19.1%
	C	3	234,311	45,000	45,000	0	0	19.2%
	Subtotal	36	4,941,081	950,354	950,435	(15,743)	135,453	19.2%
Third Ward - Walkers Point	A	5	739,907	154,927	154,927	6,635	6,097	20.9%
	B	38	2,172,648	501,328	416,479	5,980	(16,232)	19.2%
	C	4	120,713	42,963	42,963	0	0	35.6%
	Subtotal	47	3,033,268	699,218	614,369	12,615	(10,135)	20.3%
Milwaukee CBD	A	21	6,999,656	1,434,782	1,146,772	13,797	12,967	16.4%
	B	107	10,722,963	2,277,660	2,152,507	(251,677)	(116,505)	20.1%
	C	11	501,413	87,963	110,463	0	0	22.0%
	Subtotal	139	18,224,032	3,800,405	3,409,742	(237,880)	(103,538)	18.7%
Brookfield	A	6	547,244	183,997	124,690	580	(21,496)	22.8%
	B	93	5,609,826	1,702,057	1,287,584	33,962	(67,523)	23.0%
	C	3	94,859			0	0	0.0%
	Subtotal	102	6,251,929	1,886,054	1,412,274	34,542	(89,019)	22.6%
Mayfair - Wauwatosa	A	15	2,098,871	929,355	742,679	(65,981)	(327,820)	35.4%
	B	27	1,381,000	390,537	319,881	(8,737)	(5,183)	23.2%
	C	7	303,574			0	12,785	0.0%
	Subtotal	49	3,783,445	1,319,892	1,062,560	(74,718)	(320,218)	28.1%
Mequon - Thiensville	A	1	37,670		6,237	0	0	16.6%
	B	15	425,823	111,548	71,699	3,523	(3,931)	16.8%
	Subtotal	16	463,493	111,548	77,936	3,523	(3,931)	16.8%
Milwaukee Central	B	10	724,388	16,000	16,000	0	(16,000)	2.2%
	C	10	562,925			0	0	0.0%
	Subtotal	20	1,287,313	16,000	16,000	0	(16,000)	1.2%
Milwaukee North Shore	A	2	175,962	157,241	157,241	0	(14,148)	89.4%
	B	34	2,088,786	152,274	177,553	134	(50,999)	8.5%
	C	7	271,978	26,124	19,679	(2,264)	(4,604)	7.2%
	Subtotal	43	2,536,726	335,639	354,473	(2,130)	(69,751)	14.0%

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	50,692	214,998	(3,793)	(168,099)	18.8%
	B	50	3,074,452	1,019,952	870,115	(79,845)	(72,873)	28.3%
	Subtotal	54	4,220,005	1,070,644	1,085,113	(83,638)	(240,972)	25.7%
Milwaukee South	A	1	680,266			0	0	0.0%
	B	25	1,059,742	227,309	141,547	(10,598)	5,043	13.4%
	C	2	91,658			0	0	0.0%
	Subtotal	28	1,831,666	227,309	141,547	(10,598)	5,043	7.7%
Milwaukee West Allis	B	19	1,846,834	664,082	566,473	(27,823)	(158,925)	30.7%
	C	2	61,785			0	0	0.0%
	Subtotal	21	1,908,619	664,082	566,473	(27,823)	(158,925)	29.7%
Pewaukee	A	4	374,584	144,747	112,655	3,940	17,000	30.1%
	B	29	1,548,396	229,272	318,465	(4,245)	(8,608)	20.6%
	Subtotal	33	1,922,980	374,019	431,120	(305)	8,392	22.4%
Waukesha Northwest - Lake Country	B	19	621,542	48,220	37,121	16,235	39,137	6.0%
	C	1	51,462			0	0	0.0%
	Subtotal	20	673,004	48,220	37,121	16,235	39,137	5.5%
Waukesha Southeast - New Berlin	B	16	550,359	156,919	165,239	38,469	(21,396)	30.0%
	Subtotal	16	550,359	156,919	165,239	38,469	(21,396)	30.0%
Waukesha Southwest	A	1	26,000			26,000	26,000	0.0%
	B	17	643,401	56,077	47,552	7,183	364	7.4%
	C	5	112,964			0	0	0.0%
	Subtotal	23	782,365	56,077	47,552	33,183	26,364	6.1%
Suburban	A	34	5,086,150	1,466,032	1,358,500	(39,254)	(488,563)	26.7%
	B	354	19,574,549	4,774,247	4,019,229	(31,742)	(360,894)	20.5%
	C	37	1,551,205	26,124	19,679	(2,264)	8,181	1.3%
	Subtotal	425	26,211,904	6,266,403	5,397,408	(73,260)	(841,276)	20.6%
Grand Total		564	44,435,936	10,066,808	8,807,150	(311,140)	(944,814)	19.8%



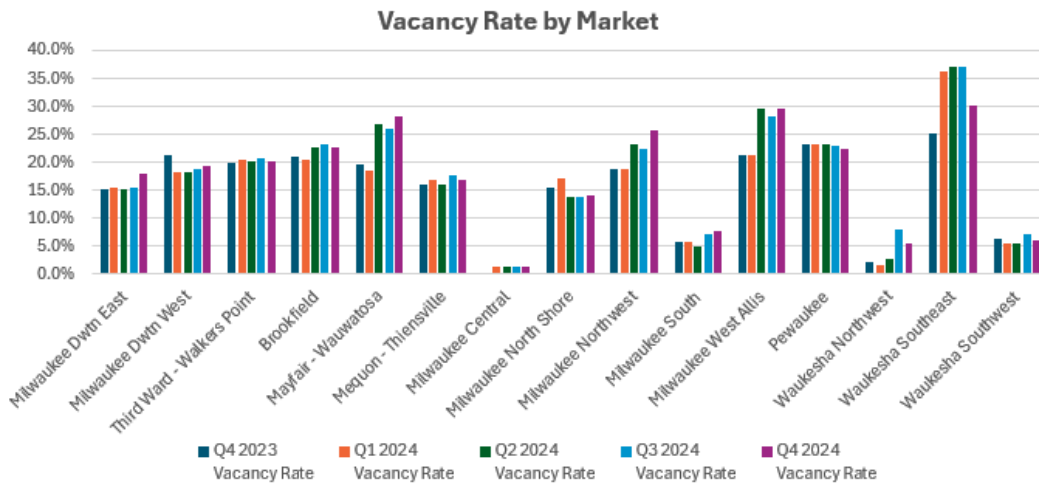
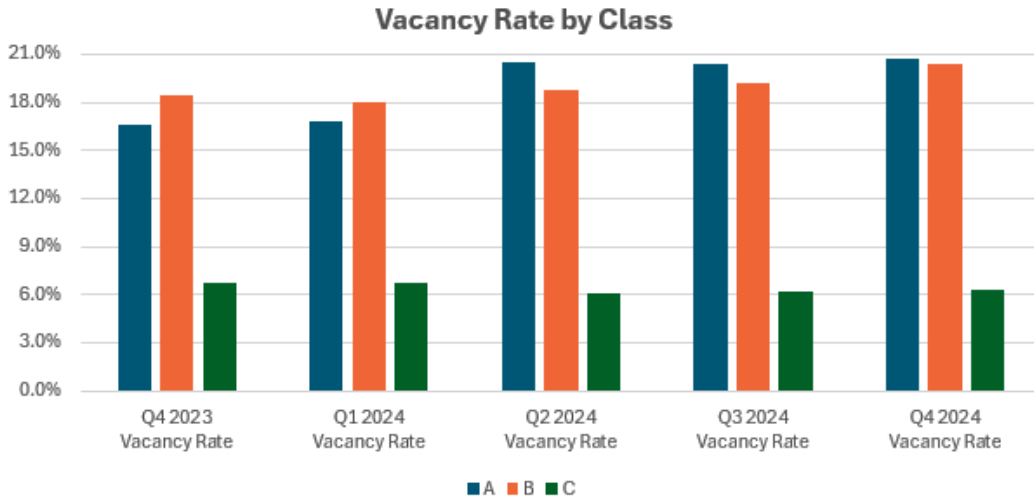
Vacancy Rates by Market (Multi and Single Tenant)

Market	Bldg Class	Q4 2023 Vacancy Rate	Q1 2024 Vacancy Rate	Q2 2024 Vacancy Rate	Q3 2024 Vacancy Rate	Q4 2024 Vacancy Rate
Milwaukee Downtown East	A	15.8%	16.5%	16.2%	15.6%	15.6%
	B	14.1%	14.0%	14.1%	15.1%	21.5%
	C	15.4%	15.4%	15.4%	15.4%	15.4%
	Subtotal	15.1%	15.4%	15.3%	15.4%	18.0%
Milwaukee Downtown West	A	17.9%	21.7%	21.8%	21.8%	20.8%
	B	21.8%	18.1%	17.8%	18.6%	19.1%
	C	19.2%	19.2%	19.2%	19.2%	19.2%
	Subtotal	21.4%	18.4%	18.1%	18.8%	19.2%
Third Ward - Walkers Point	A	21.8%	21.8%	21.4%	21.8%	20.9%
	B	18.6%	19.2%	19.0%	19.4%	19.2%
	C	35.6%	35.6%	35.6%	35.6%	35.6%
	Subtotal	20.0%	20.5%	20.3%	20.7%	20.3%
Milwaukee CBD	A	16.6%	17.3%	17.0%	16.6%	16.4%
	B	18.0%	16.6%	16.5%	17.4%	20.1%
	C	22.0%	22.0%	22.0%	22.0%	22.0%
	Subtotal	17.6%	17.0%	16.8%	17.2%	18.7%
Brookfield	A	18.9%	18.9%	18.9%	22.9%	22.8%
	B	21.6%	20.8%	23.5%	23.6%	23.0%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	21.0%	20.3%	22.7%	23.1%	22.6%
Mayfair - Wauwatosa	A	19.8%	18.3%	33.7%	32.2%	35.4%
	B	22.8%	22.3%	22.4%	22.5%	23.2%
	C	4.2%	4.2%	0.0%	0.0%	0.0%
	Subtotal	19.6%	18.6%	26.9%	26.1%	28.1%
Mequon - Thiensville	A	16.6%	16.6%	16.6%	16.6%	16.6%
	B	15.9%	17.0%	16.0%	17.7%	16.8%
	Subtotal	16.0%	16.9%	16.0%	17.6%	16.8%
Milwaukee Central	B	0.0%	2.3%	2.3%	2.3%	2.2%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	0.0%	1.3%	1.3%	1.3%	1.2%
Milwaukee North Shore	A	81.3%	81.3%	81.3%	89.4%	89.4%
	B	11.6%	13.4%	9.1%	8.5%	8.5%
	C	5.5%	5.5%	5.5%	6.4%	7.2%
	Subtotal	15.6%	17.0%	13.8%	13.9%	14.0%

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

Market	Bldg Class	Q4 2023 Vacancy Rate	Q1 2024 Vacancy Rate	Q2 2024 Vacancy Rate	Q3 2024 Vacancy Rate	Q4 2024 Vacancy Rate
Milwaukee Northwest	A	4.1%	4.1%	18.4%	18.4%	18.8%
	B	23.8%	23.7%	24.7%	23.6%	28.3%
	Subtotal	18.8%	18.7%	23.1%	22.3%	25.7%
Milwaukee South	A	0.0%	0.0%	0.0%	0.0%	0.0%
	B	10.6%	10.0%	8.7%	12.4%	13.4%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	5.7%	5.6%	4.9%	7.1%	7.7%
Milwaukee West Allis	B	22.1%	22.1%	30.5%	29.2%	30.7%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	21.4%	21.3%	29.5%	28.2%	29.7%
Pewaukee	A	34.6%	35.1%	31.7%	31.1%	30.1%
	B	20.7%	20.4%	21.3%	20.9%	20.6%
	Subtotal	23.3%	23.1%	23.3%	22.9%	22.4%
Waukesha Northwest - Lake Country	B	2.3%	1.7%	2.9%	8.6%	6.0%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	2.2%	1.5%	2.7%	7.9%	5.5%
Waukesha Southeast - New Berlin	B	25.2%	36.1%	37.2%	37.0%	30.0%
	Subtotal	25.2%	36.1%	37.2%	37.0%	30.0%
Waukesha Southwest	A	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0.0%
	B	7.4%	6.3%	6.3%	8.5%	7.4%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	6.3%	5.4%	5.4%	7.2%	6.1%
Suburban	A	16.7%	16.1%	25.5%	25.6%	26.7%
	B	18.6%	18.8%	20.1%	20.2%	20.5%
	C	1.8%	1.8%	1.0%	1.1%	1.3%
	Subtotal	17.3%	17.3%	20.0%	20.1%	20.6%
Grand Total		17.4%	17.2%	18.7%	18.9%	19.8%

Vacancy Rates (Multi and Single Tenant)



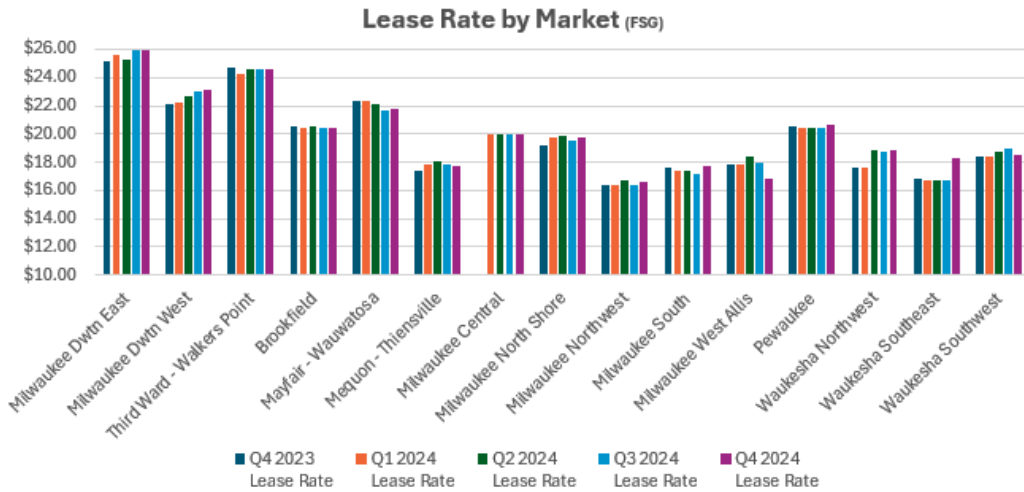
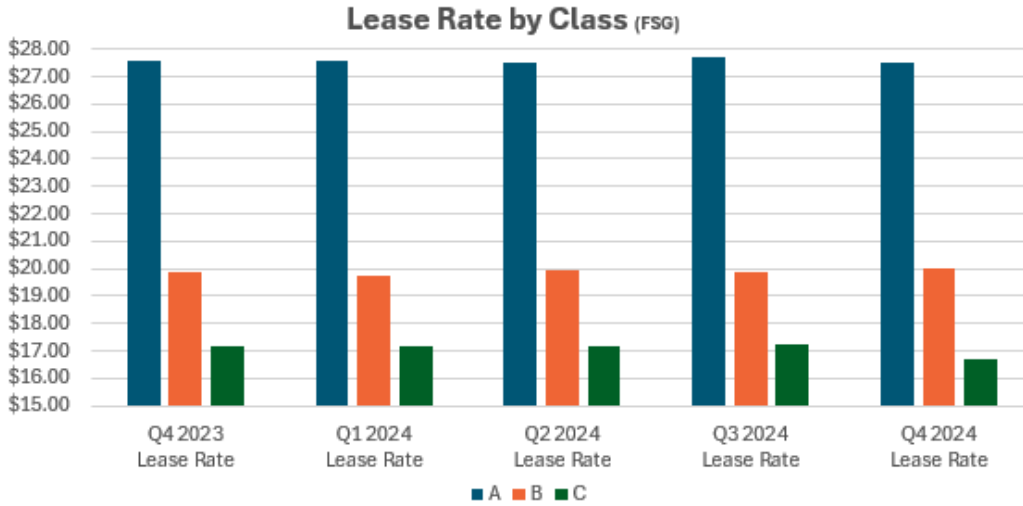
Lease Rates by Market (Multi and Single Tenant)

Market	Bldg Class	Q4 2023 Lease Rate	Q1 2024 Lease Rate	Q2 2024 Lease Rate	Q3 2024 Lease Rate	Q4 2024 Lease Rate
Milwaukee Downtown East	A	\$32.45	\$32.53	\$32.55	\$32.88	\$32.77
	B	\$21.42	\$21.62	\$21.65	\$21.72	\$21.96
	C					
	Subtotal	\$25.10	\$25.59	\$25.28	\$25.97	\$25.89
Milwaukee Downtown West	A			\$28.10	\$28.10	\$26.55
	B	\$22.07	\$22.26	\$22.26	\$22.69	\$23.21
	C					\$14.50
	Subtotal	\$22.07	\$22.26	\$22.65	\$23.05	\$23.11
Third Ward - Walkers Point	A	\$29.18	\$29.18	\$29.18	\$30.38	\$31.72
	B	\$24.58	\$24.04	\$24.40	\$24.34	\$24.21
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.71	\$24.25	\$24.55	\$24.59	\$24.59
Milwaukee CBD	A	\$31.79	\$31.86	\$31.43	\$31.99	\$31.56
	B	\$22.70	\$22.73	\$22.94	\$23.12	\$23.26
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$16.25
	Subtotal	\$24.19	\$24.28	\$24.32	\$24.69	\$24.58
Brookfield	A	\$25.19	\$25.00	\$25.00	\$25.00	\$24.68
	B	\$20.28	\$20.10	\$20.25	\$20.15	\$20.13
	C					
	Subtotal	\$20.59	\$20.41	\$20.55	\$20.44	\$20.41
Mayfair - Wauwatosa	A	\$26.89	\$26.77	\$26.77	\$26.77	\$26.30
	B	\$19.24	\$19.27	\$19.16	\$18.97	\$18.98
	C					
	Subtotal	\$22.39	\$22.36	\$22.12	\$21.70	\$21.77
Mequon - Thiensville	A					
	B	\$17.44	\$17.79	\$18.01	\$17.81	\$17.70
	Subtotal	\$17.44	\$17.79	\$18.01	\$17.81	\$17.70
Milwaukee Central	B		\$20.00	\$20.00	\$20.00	\$20.00
	C					
	Subtotal		\$20.00	\$20.00	\$20.00	\$20.00
Milwaukee North Shore	A	\$24.00	\$24.00	\$26.00	\$24.00	\$24.00
	B	\$18.42	\$19.41	\$19.22	\$19.42	\$19.78
	C	\$16.75	\$16.75	\$16.75	\$17.00	\$17.00
	Subtotal	\$19.20	\$19.71	\$19.83	\$19.54	\$19.79

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

Market	Bldg Class	Q4 2023 Lease Rate	Q1 2024 Lease Rate	Q2 2024 Lease Rate	Q3 2024 Lease Rate	Q4 2024 Lease Rate
Milwaukee Northwest	A	\$20.25	\$20.25	\$20.25	\$20.25	\$20.50
	B	\$16.12	\$16.18	\$16.50	\$16.16	\$16.37
	Subtotal	\$16.38	\$16.39	\$16.68	\$16.35	\$16.56
Milwaukee South	A					
	B	\$17.57	\$17.45	\$17.45	\$17.21	\$17.78
	Subtotal	\$17.57	\$17.45	\$17.45	\$17.21	\$17.78
Milwaukee West Allis	B	\$17.83	\$17.88	\$18.43	\$18.00	\$16.80
	C					
	Subtotal	\$17.83	\$17.88	\$18.43	\$18.00	\$16.80
Pewaukee	A	\$23.80	\$23.80	\$23.49	\$23.49	\$23.49
	B	\$19.68	\$19.48	\$19.59	\$19.60	\$19.96
	Subtotal	\$20.59	\$20.44	\$20.46	\$20.46	\$20.67
Waukesha Northwest - Lake Country	B	\$17.63	\$17.63	\$18.88	\$18.75	\$18.88
	C					
	Subtotal	\$17.63	\$17.63	\$18.88	\$18.75	\$18.88
Waukesha Southeast - New Berlin	B	\$16.88	\$16.75	\$16.75	\$16.75	\$18.33
	Subtotal	\$16.88	\$16.75	\$16.75	\$16.75	\$18.33
Waukesha Southwest	A					
	B	\$18.41	\$18.40	\$18.69	\$19.00	\$18.50
	Subtotal	\$18.41	\$18.40	\$18.69	\$19.00	\$18.50
Suburban	A	\$25.13	\$25.05	\$25.21	\$24.98	\$24.83
	B	\$18.81	\$18.73	\$18.89	\$18.79	\$18.81
	C	\$16.75	\$16.75	\$16.75	\$17.00	\$17.00
	Subtotal	\$19.53	\$19.41	\$19.57	\$19.43	\$19.44
Grand Total		\$20.87	\$20.72	\$20.88	\$20.87	\$20.91

Lease Rates (Multi and Single Tenant)



Market Overview by Class (Multi-Tenant Properties)

Total

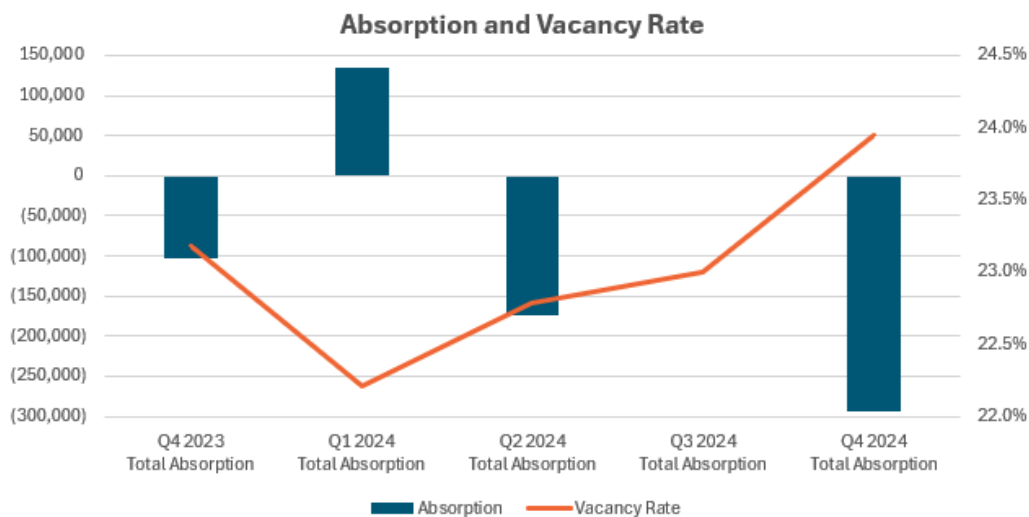
Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
A	43	7,915,581	2,454,106	2,024,079	(51,457)	(82,830)	25.6%
B	351	21,350,592	6,211,622	5,260,167	(239,865)	(259,891)	24.6%
C	34	1,512,982	69,087	85,142	(2,264)	8,181	5.6%
Grand Total	428	30,779,155	8,734,815	7,369,388	(293,586)	(334,540)	23.9%

Direct

Bldg Class	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
A	43	7,915,581	2,205,416	1,942,536	(520)	(17,459)	24.5%
B	351	21,350,592	6,004,871	5,140,522	(215,960)	(281,168)	24.1%
C	34	1,512,982	66,823	82,878	0	10,445	5.5%
Grand Total	428	30,779,155	8,277,110	7,165,936	(216,480)	(288,182)	23.3%

Sublease

Bldg Class	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
A	43	7,915,581	248,690	81,543	(50,937)	(65,371)	1.0%
B	351	21,350,592	206,751	119,645	(23,905)	21,277	0.6%
C	34	1,512,982	2,264	2,264	(2,264)	(2,264)	0.1%
Grand Total	428	30,779,155	457,705	203,452	(77,106)	(46,358)	0.7%

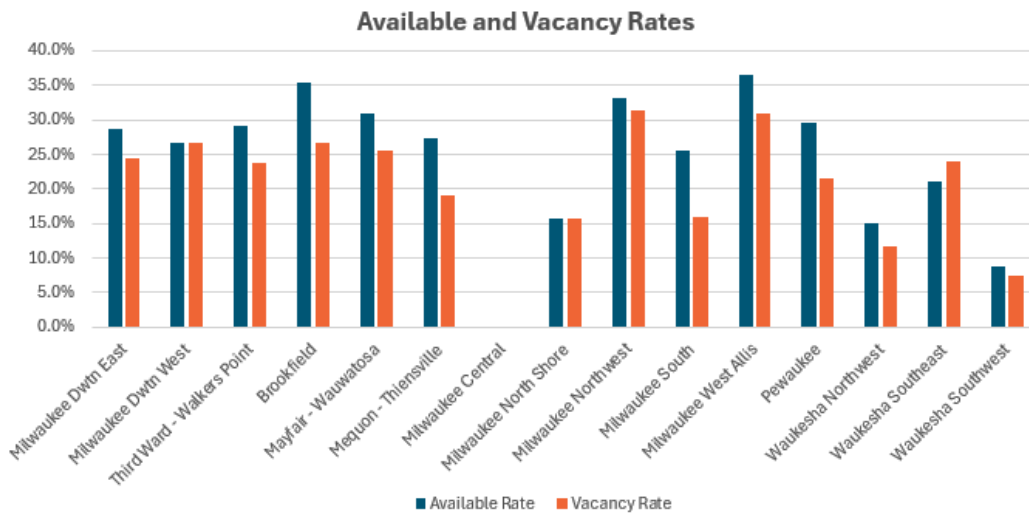


Market Statistics by Market (Multi-Tenant Properties)

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	4,626,912	1,207,523	919,513	3,395	16,775	19.9%
	B	30	2,772,953	943,310	902,925	(238,147)	(245,631)	32.6%
	C	3	115,387		22,500	0	0	19.5%
	Subtotal	45	7,515,252	2,150,833	1,844,938	(234,752)	(228,856)	24.5%
Milwaukee Downtown West	A	1	68,371	9,905	9,905	3,767	(9,905)	14.5%
	B	24	2,993,676	833,022	833,103	(19,510)	145,358	27.8%
	C	1	95,561			0	0	0.0%
	Subtotal	26	3,157,608	842,927	843,008	(15,743)	135,453	26.7%
Third Ward - Walkers Point	A	2	297,047	154,927	154,927	6,635	6,097	52.2%
	B	33	1,984,556	501,328	374,479	5,980	(16,232)	18.9%
	C	4	120,713	42,963	42,963	0	0	35.6%
	Subtotal	39	2,402,316	699,218	572,369	12,615	(10,135)	23.8%
Milwaukee CBD	A	15	4,992,330	1,372,355	1,084,345	13,797	12,967	21.7%
	B	87	7,751,185	2,277,660	2,110,507	(251,677)	(116,505)	27.2%
	C	8	331,661	42,963	65,463	0	0	19.7%
	Subtotal	110	13,075,176	3,692,978	3,260,315	(237,880)	(103,538)	24.9%
Brookfield	A	5	502,244	138,997	124,690	580	(21,496)	24.8%
	B	77	4,030,841	1,484,262	1,096,494	33,962	61,977	27.2%
	C	1	37,897			0	0	0.0%
	Subtotal	83	4,570,982	1,623,259	1,221,184	34,542	40,481	26.7%
Mayfair - Wauwatosa	A	14	1,661,707	590,074	488,219	(65,981)	(73,360)	29.4%
	B	23	1,240,796	390,537	319,881	(8,737)	(5,183)	25.8%
	C	6	268,078			0	12,785	0.0%
	Subtotal	43	3,170,581	980,611	808,100	(74,718)	(65,758)	25.5%
Mequon - Thiensville	A	1	37,670		6,237	0	0	16.6%
	B	13	368,887	111,548	71,699	3,523	(3,931)	19.4%
	Subtotal	14	406,557	111,548	77,936	3,523	(3,931)	19.2%
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	0	(14,148)	89.4%
	B	28	1,489,182	120,274	126,987	134	(50,999)	8.5%
	C	7	271,978	26,124	19,679	(2,264)	(4,604)	7.2%
	Subtotal	37	1,937,122	303,639	303,907	(2,130)	(69,751)	15.7%

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	50,692	50,692	(3,793)	(3,793)	29.6%
	B	29	1,765,995	591,444	555,444	(39,825)	(64,399)	31.5%
	Subtotal	31	1,937,079	642,136	606,136	(43,618)	(68,192)	31.3%
Milwaukee South	B	19	797,303	227,309	141,547	(10,598)	5,043	17.8%
	C	2	91,658			0	0	0.0%
	Subtotal	21	888,961	227,309	141,547	(10,598)	5,043	15.9%
Milwaukee West Allis	B	16	1,722,795	640,382	542,773	(27,823)	(158,925)	31.5%
	C	1	27,516			0	0	0.0%
	Subtotal	17	1,750,311	640,382	542,773	(27,823)	(158,925)	31.0%
Pewaukee	A	4	374,584	144,747	112,655	3,940	17,000	30.1%
	B	19	790,828	200,038	137,971	(711)	(5,074)	17.4%
	Subtotal	23	1,165,412	344,785	250,626	3,229	11,926	21.5%
Waukesha Northwest - Lake Country	B	12	319,673	48,220	37,121	16,235	39,137	11.6%
	Subtotal	12	319,673	48,220	37,121	16,235	39,137	11.6%
Waukesha Southeast - New Berlin	B	9	301,541	63,871	72,191	38,469	38,604	23.9%
	Subtotal	9	301,541	63,871	72,191	38,469	38,604	23.9%
Waukesha Southwest	B	14	554,786	56,077	47,552	7,183	364	8.6%
	C	3	78,061			0	0	0.0%
	Subtotal	17	632,847	56,077	47,552	7,183	364	7.5%
Suburban	A	28	2,923,251	1,081,751	939,734	(65,254)	(95,797)	32.1%
	B	264	13,599,407	3,933,962	3,149,660	11,812	(143,386)	23.2%
	C	26	1,181,321	26,124	19,679	(2,264)	8,181	1.7%
	Subtotal	318	17,703,979	5,041,837	4,109,073	(55,706)	(231,002)	23.2%
Grand Total		428	30,779,155	8,734,815	7,369,388	(293,586)	(334,540)	23.9%



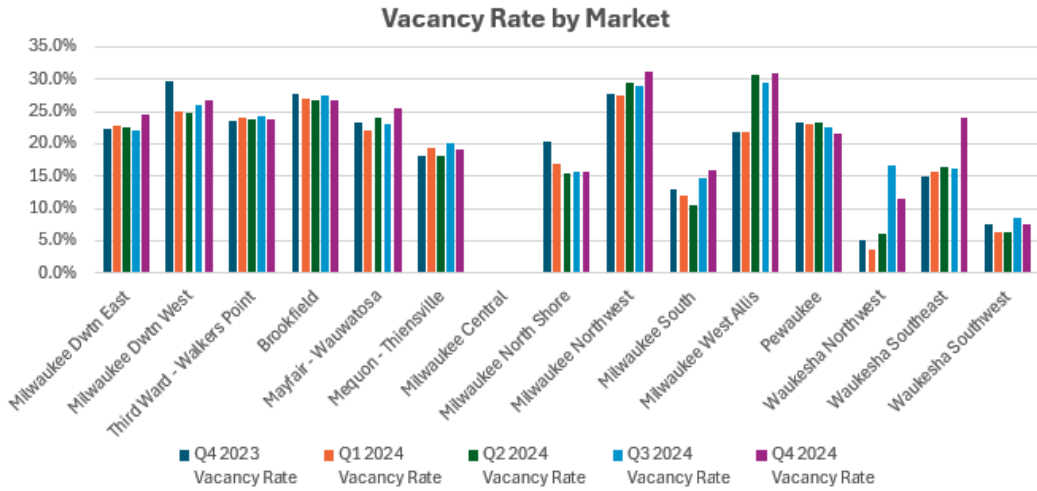
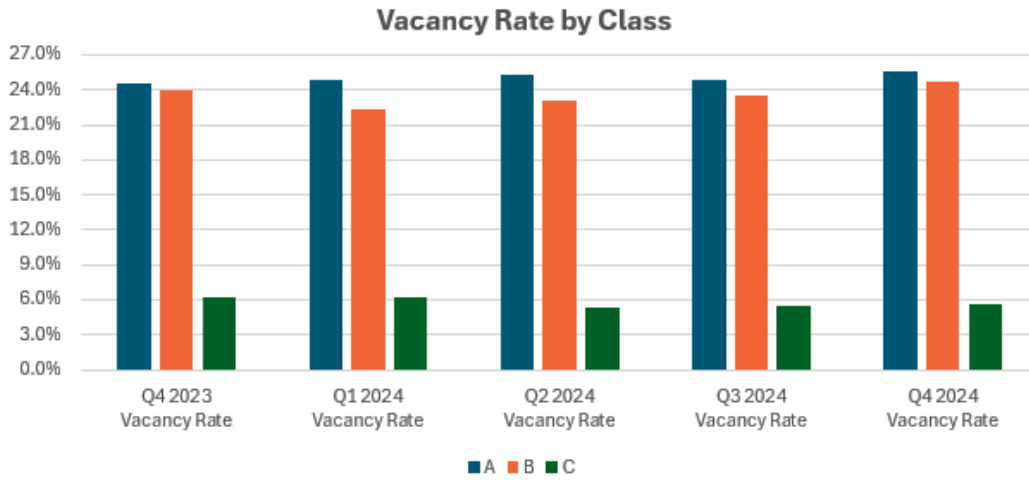
Vacancy Rates by Market (Multi-Tenant)

Market	Bldg Class	Q4 2023 Vacancy Rate	Q1 2024 Vacancy Rate	Q2 2024 Vacancy Rate	Q3 2024 Vacancy Rate	Q4 2024 Vacancy Rate
Milwaukee Downtown East	A	20.2%	21.1%	20.6%	19.9%	19.9%
	B	26.0%	25.9%	26.0%	26.3%	32.6%
	C	19.5%	19.5%	19.5%	19.5%	19.5%
	Subtotal	22.2%	22.7%	22.5%	22.2%	24.5%
Milwaukee Downtown West	A	0.0%	19.0%	20.0%	20.0%	14.5%
	B	31.2%	25.9%	25.8%	26.9%	27.8%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	29.7%	25.0%	24.9%	26.0%	26.7%
Third Ward - Walkers Point	A	54.2%	54.2%	53.3%	54.4%	52.2%
	B	18.2%	18.9%	18.7%	19.2%	18.9%
	C	35.6%	35.6%	35.6%	35.6%	35.6%
	Subtotal	23.6%	24.1%	23.9%	24.4%	23.8%
Milwaukee CBD	A	22.0%	23.1%	22.6%	22.0%	21.7%
	B	26.1%	24.1%	24.0%	24.7%	27.2%
	C	19.7%	19.7%	19.7%	19.7%	19.7%
	Subtotal	24.4%	23.6%	23.3%	23.5%	24.9%
Brookfield	A	20.5%	20.5%	20.6%	24.9%	24.8%
	B	29.0%	28.0%	27.9%	28.0%	27.2%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	27.8%	27.0%	26.9%	27.5%	26.7%
Mayfair - Wauwatosa	A	25.0%	23.1%	27.3%	25.4%	29.4%
	B	25.4%	24.8%	25.0%	25.1%	25.8%
	C	4.8%	4.8%	0.0%	0.0%	0.0%
	Subtotal	23.4%	22.2%	24.0%	23.1%	25.5%
Mequon - Thiensville	A	16.6%	16.6%	16.6%	16.6%	16.6%
	B	18.4%	19.6%	18.4%	20.4%	19.4%
	Subtotal	18.2%	19.3%	18.3%	20.0%	19.2%
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	81.3%	81.3%	81.3%	89.4%	89.4%
	B	13.8%	11.6%	9.4%	8.5%	8.5%
	C	5.5%	5.5%	5.5%	6.4%	7.2%
	Subtotal	20.5%	16.9%	15.4%	15.6%	15.7%

Vacancy Rates by Market (Multi-Tenant—Cont)

Market	Bldg Class	Q4 2023 Vacancy Rate	Q1 2024 Vacancy Rate	Q2 2024 Vacancy Rate	Q3 2024 Vacancy Rate	Q4 2024 Vacancy Rate
Milwaukee Northwest	A	27.4%	27.4%	27.4%	27.4%	29.6%
	B	27.8%	27.6%	29.6%	29.2%	31.5%
	Subtotal	27.8%	27.6%	29.4%	29.0%	31.3%
Milwaukee South	B	14.8%	13.4%	11.7%	16.4%	17.8%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	13.0%	12.0%	10.4%	14.7%	15.9%
Milwaukee West Allis	B	22.3%	22.3%	31.3%	29.9%	31.5%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	21.9%	21.9%	30.8%	29.4%	31.0%
Pewaukee	A	34.6%	35.1%	31.7%	31.1%	30.1%
	B	18.3%	17.7%	19.5%	18.8%	17.4%
	Subtotal	23.3%	23.0%	23.2%	22.6%	21.5%
Waukesha Northwest - Lake Country	B	5.1%	3.6%	6.0%	16.7%	11.6%
	Subtotal	5.1%	3.6%	6.0%	16.7%	11.6%
Waukesha Southeast - New Berlin	B	14.9%	15.8%	16.5%	16.1%	23.9%
	Subtotal	14.9%	15.8%	16.5%	16.1%	23.9%
Waukesha Southwest	B	8.6%	7.3%	7.3%	9.9%	8.6%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	7.6%	6.4%	6.4%	8.6%	7.5%
Suburban	A	28.9%	27.9%	29.8%	29.9%	32.1%
	B	22.6%	21.4%	22.6%	22.9%	23.2%
	C	2.4%	2.4%	1.3%	1.5%	1.7%
	Subtotal	22.3%	21.2%	22.4%	22.6%	23.2%
Grand Total		23.2%	22.2%	22.8%	23.0%	23.9%

Vacancy Rates (Multi-Tenant)



Lease Rates by Market (Multi-Tenant)

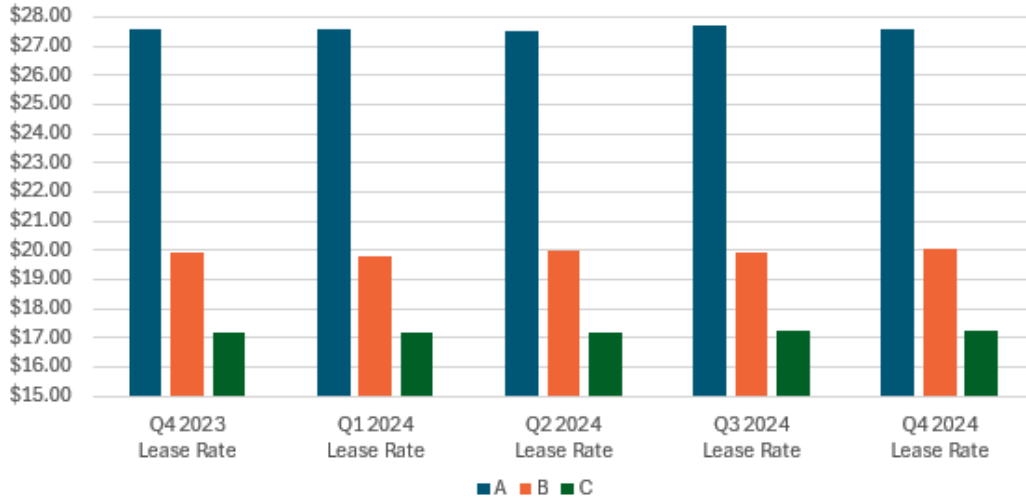
Market	Bldg Class	Q4 2023 Lease Rate	Q1 2024 Lease Rate	Q2 2024 Lease Rate	Q3 2024 Lease Rate	Q4 2024 Lease Rate
Milwaukee Downtown East	A	\$32.45	\$32.53	\$32.55	\$32.88	\$32.77
	B	\$21.42	\$21.62	\$21.65	\$21.72	\$21.96
	C					
	Subtotal	\$25.10	\$25.59	\$25.28	\$25.97	\$25.89
Milwaukee Downtown West	A			\$28.10	\$28.10	\$28.10
	B	\$22.07	\$22.26	\$22.26	\$22.69	\$23.21
	C					
	Subtotal	\$22.07	\$22.26	\$22.65	\$23.05	\$23.48
Third Ward - Walkers Point	A	\$29.18	\$29.18	\$29.18	\$30.38	\$31.72
	B	\$24.58	\$24.04	\$24.40	\$24.34	\$24.21
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.71	\$24.25	\$24.55	\$24.59	\$24.59
Milwaukee CBD	A	\$31.79	\$31.86	\$31.43	\$31.99	\$32.16
	B	\$22.70	\$22.73	\$22.94	\$23.12	\$23.26
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.19	\$24.28	\$24.32	\$24.69	\$24.73
Brookfield	A	\$25.19	\$25.00	\$25.00	\$25.00	\$24.68
	B	\$20.28	\$20.10	\$20.25	\$20.15	\$20.13
	C					
	Subtotal	\$20.59	\$20.41	\$20.55	\$20.44	\$20.41
Mayfair - Wauwatosa	A	\$26.89	\$26.77	\$26.77	\$26.77	\$26.30
	B	\$19.24	\$19.27	\$19.16	\$18.97	\$18.98
	C					
	Subtotal	\$22.39	\$22.36	\$22.12	\$21.70	\$21.77
Mequon - Thiensville	A					
	B	\$17.44	\$17.79	\$18.01	\$17.81	\$17.70
	Subtotal	\$17.44	\$17.79	\$18.01	\$17.81	\$17.70
Milwaukee Central	B					
	C					
	Subtotal					
Milwaukee North Shore	A	\$24.00	\$24.00	\$26.00	\$24.00	\$24.00
	B	\$18.00	\$19.27	\$19.07	\$19.32	\$19.70
	C	\$16.75	\$16.75	\$16.75	\$17.00	\$17.00
	Subtotal	\$19.06	\$19.64	\$19.78	\$19.48	\$19.74

Lease Rates by Market (Multi-Tenant-Cont)

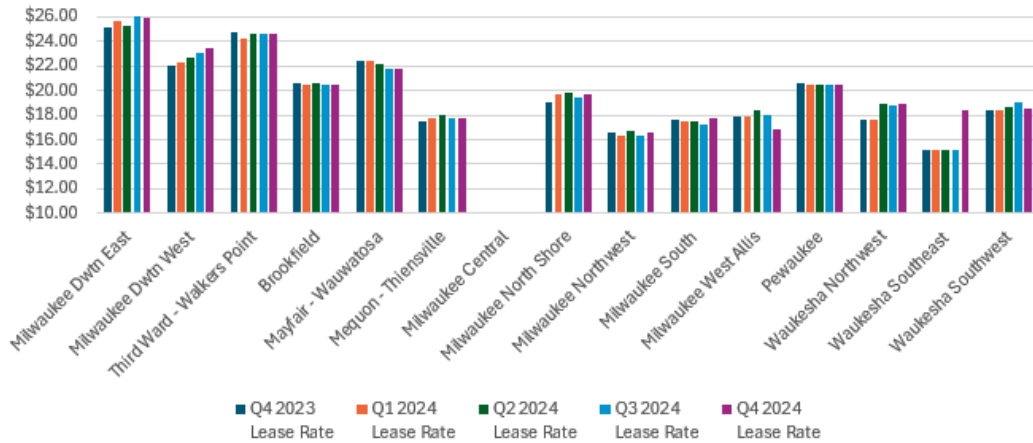
Market	Bldg Class	Q4 2023 Lease Rate	Q1 2024 Lease Rate	Q2 2024 Lease Rate	Q3 2024 Lease Rate	Q4 2024 Lease Rate
Milwaukee Northwest	A	\$20.25	\$20.25	\$20.25	\$20.25	\$20.50
	B	\$16.33	\$16.11	\$16.50	\$16.10	\$16.35
	Subtotal	\$16.61	\$16.37	\$16.72	\$16.33	\$16.57
Milwaukee South	B	\$17.57	\$17.45	\$17.45	\$17.21	\$17.78
	C					
	Subtotal	\$17.57	\$17.45	\$17.45	\$17.21	\$17.78
Milwaukee West Allis	B	\$17.83	\$17.88	\$18.43	\$18.00	\$16.80
	C					
	Subtotal	\$17.83	\$17.88	\$18.43	\$18.00	\$16.80
Pewaukee	A	\$23.80	\$23.80	\$23.49	\$23.49	\$23.49
	B	\$19.53	\$19.48	\$19.59	\$19.60	\$19.60
	Subtotal	\$20.54	\$20.44	\$20.46	\$20.46	\$20.46
Waukesha Northwest - Lake Country	B	\$17.63	\$17.63	\$18.88	\$18.75	\$18.88
	Subtotal	\$17.63	\$17.63	\$18.88	\$18.75	\$18.88
Waukesha Southeast - New Berlin	B	\$15.17	\$15.17	\$15.17	\$15.17	\$18.33
	Subtotal	\$15.17	\$15.17	\$15.17	\$15.17	\$18.33
Waukesha Southwest	B	\$18.41	\$18.40	\$18.69	\$19.00	\$18.50
	C					
	Subtotal	\$18.41	\$18.40	\$18.69	\$19.00	\$18.50
Suburban	A	\$25.13	\$25.05	\$25.21	\$24.98	\$24.83
	B	\$18.82	\$18.73	\$18.91	\$18.80	\$18.79
	C	\$16.75	\$16.75	\$16.75	\$17.00	\$17.00
	Subtotal	\$19.56	\$19.44	\$19.61	\$19.46	\$19.45
Grand Total		\$20.92	\$20.78	\$20.95	\$20.94	\$20.97

Lease Rates (Multi-Tenant)

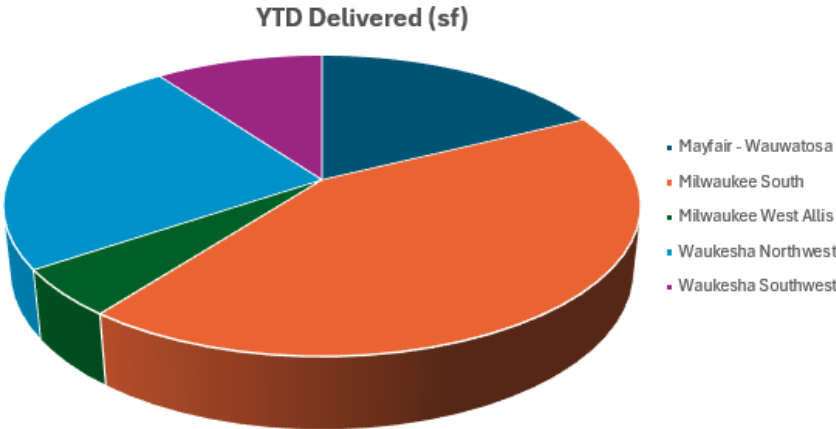
Lease Rate by Class (FSG)



Lease Rate by Market (FSG)



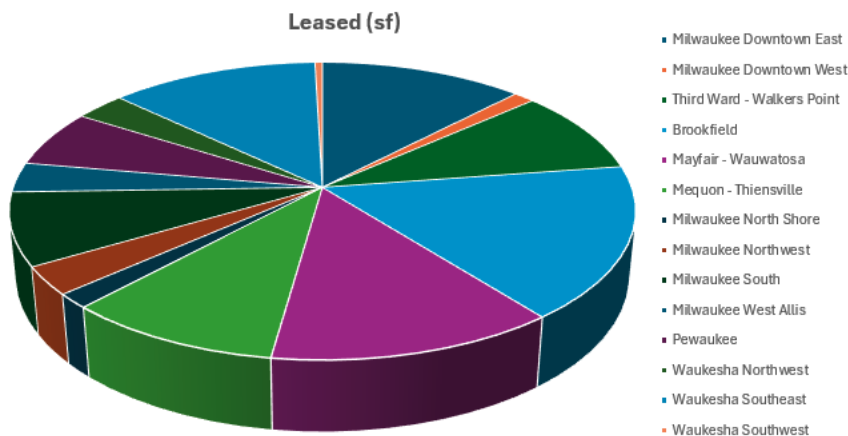
YTD Delivered



Market	Bldg (sf)
Mayfair - Wauwatosa	45,823
Milwaukee South	110,797
Milwaukee West Allis	13,300
Waukesha Northwest	63,144
Waukesha Southwest	26,000
Grand Total	259,064

Leasing Activity

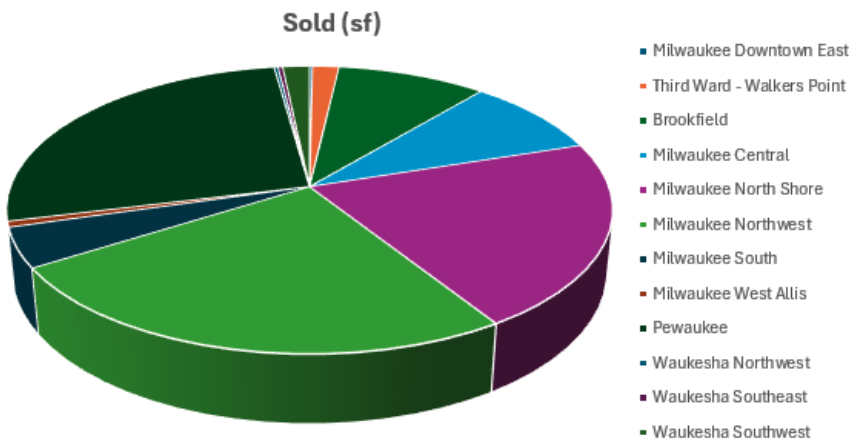
Property	Size (sf)	Market	Tenant	Landlord
5000 S Towne Dr	25,000	Waukesha Southeast	Atos	5000 Towne #1 LLC
411 E Wisconsin Center	24,189	Milwaukee Downtown East	Gruber Law Offices	Middleton Milwaukee Investors LLC
Research One				Inland Amer
10701 Research Dr	19,706	Mayfair - Wauwatosa	Markel	Tosa Research LLC
12075 Corporate Pkwy	13,480	Mequon - Thiensville	Baird	Muck Quon 12075 LLC
The Timbers				
700 W Virginia St	8,461	Third Ward - Walkers Point	CH Robinson	MKE Atlas Timbers LLC



Market	Leased (sf)
Milwaukee Downtown East	36,564
Milwaukee Downtown West	3,767
Third Ward - Walkers Point	27,338
Brookfield	49,698
Mayfair - Wauwatosa	38,576
Mequon - Thiensville	28,987
Milwaukee North Shore	4,691
Milwaukee Northwest	9,120
Milwaukee South	23,643
Milwaukee West Allis	9,673
Pewaukee	18,531
Waukesha Northwest	9,126
Waukesha Southeast	37,469
Waukesha Southwest	1,329
Grand Total	298,512

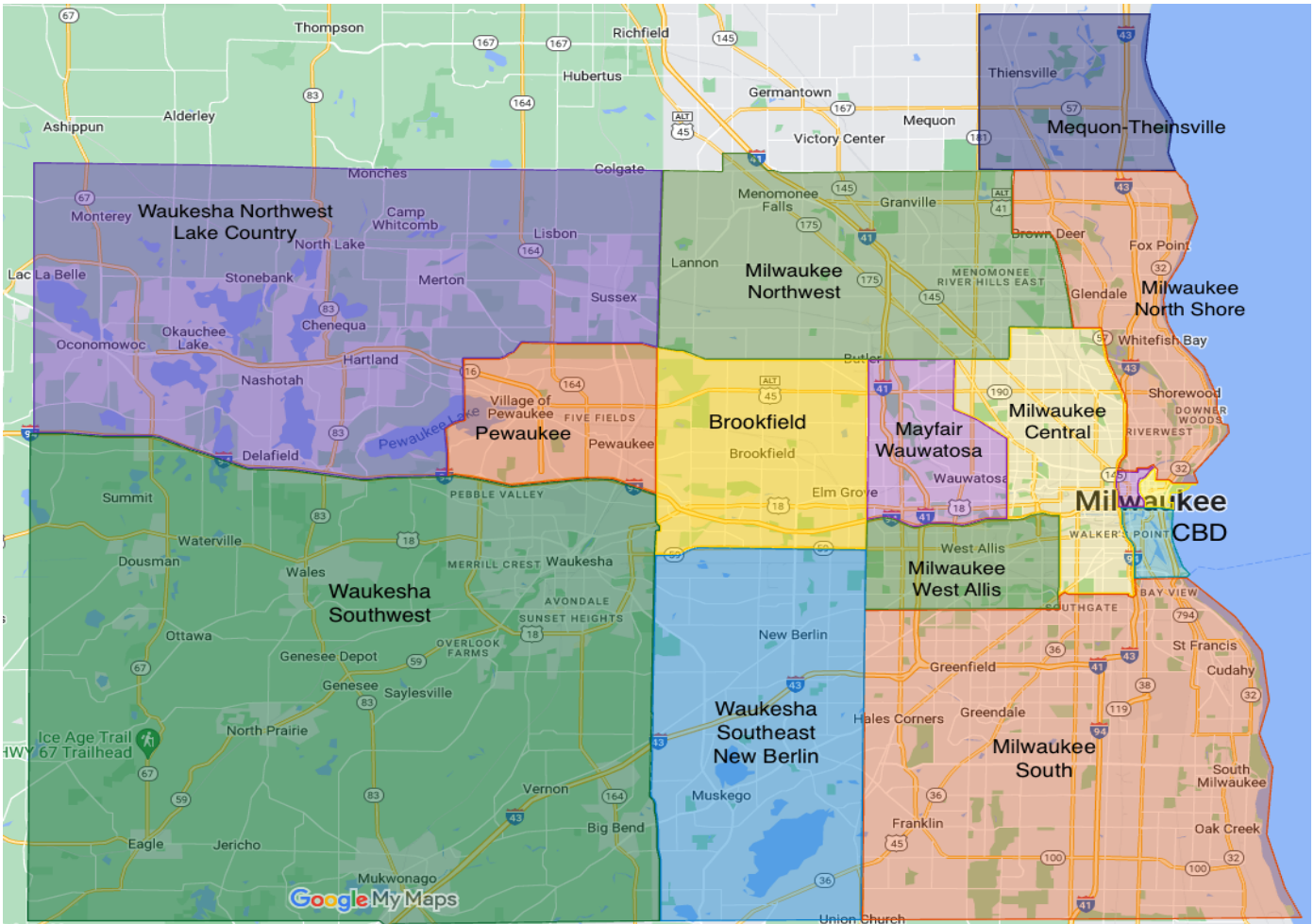
Sales Activity

Property	Price	Market	Buyer	Seller
100 Heritage Reserve	\$6,700,000	Milwaukee Northwest	Milwaukee Tool	Allspring Global Investments
20925 Crossroads Circle	\$5,500,000	Brookfield	Immucor GTI Diagnostics Inc	20925 Crossroads Circle LLC
N14 W23800 Stone Ridge Dr	\$3,651,300	Pewaukee	Stone Ridge IV Medical Ptnrs LLC	Stone Ridge-Markel Associates LLC
2523 N Downer Ave	\$3,650,000	Milwaukee North Shore	PAV LLC	Downer Avenue Development LLC
11925 W Lake Park Dr	\$2,550,000	Milwaukee Northwest	Milwaukee Governmental LLC	11925 West Lake Park Drive LLC



Market	Sold (sf)
Milwaukee Downtown East	1,576
Third Ward - Walkers Point	14,600
Brookfield	82,392
Milwaukee Central	78,358
Milwaukee North Shore	185,543
Milwaukee Northwest	222,137
Milwaukee South	39,438
Milwaukee West Allis	5,748
Pewaukee	235,649
Waukesha Northwest	2,099
Waukesha Southeast	2,580
Waukesha Southwest	14,770
Grand Total	884,890

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) Inventory	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.

Advisory Board Members

AJ Associates	Andrew Jensen	Irgens	Alyssa Geisler
	William Bonifas		Ned Purtell
CBRE	John Mazza	Founders 3	Patti Stevens
	Nick Becker	Hunter Real Estate	Matt Hunter
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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