

Market

Trends

Q1 2024

Milwaukee - Industrial



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MARKET TRENDS

Q1 2024 | Milwaukee | Industrial

Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	780,438	
Area Unemployment	3.4	
U.S. Unemployment	3.9	
Industrial Jobs	113,900	

Source: BLS

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

Market Recap

All Properties

Total Inventory (sf)	385,470,044
Total # of Bldgs (tracked)	5,404
Absorption	(153,869)
Vacancy	5.8%
Asking Rate (NNN)	\$6.60
New Construction (sf)	3,045,071

Multi-tenant Properties

Total Inventory (sf)	100,532,880
Total # of Bldgs (tracked)	1,241
Absorption	(45,587)
Vacancy	15.8%
Asking Rate (NNN)	\$6.67

Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Milwaukee metropolitan statistical area (MSA) increased 70 basis points to 3.4% compared to 2.7% in February 2023. The unemployment rate for the US was at 3.9% in February 2024 which increased 30 basis points from last year. State of Wisconsin unemployment was 3.0% for this quarter. The Milwaukee MSA saw an increase in job growth while manufacturing jobs decreased by 1200 jobs during the same period.

Market Overview

The Milwaukee Industrial market consists of 385.4 msf of space in eight counties across Southeastern Wisconsin. Southeastern Wisconsin posted (153,800) sf negative absorption in Q1 2024 for all properties, bringing the YTD to (153,800) sf negative absorption. Multi-tenant properties had (45,500) sf negative absorption bringing the YTD to (45,500) sf negative absorption. The first quarter ended with a vacancy rate of 5.8% for all properties and 15.8% for multi-tenant properties. The average asking lease rates for SE Wisconsin has increased from \$6.26 last year to \$6.60 psf NNN for Q1 2024. To date, there are 21 properties totaling 3.0 msf of new construction projects throughout the market. Nineteen properties with 1.7 msf were delivered year to date.

Market Highlights

Kenosha County led the way in positive absorption with 337,000 sf resulting from Haribo leasing 447,000 sf while vacating 157,600 sf. Milwaukee County experienced (965,000) sf negative absorption due to Briggs & Stratton vacating 566,700 sf. At the close of Q1 2024 the market had 101 lease transactions totaling 1.9 msf of leasing activity. Fifty seven properties sold topping \$87.3 million with 1.4 msf during Q1 2024.

Market Overview (Multi and Single Tenant)

Total

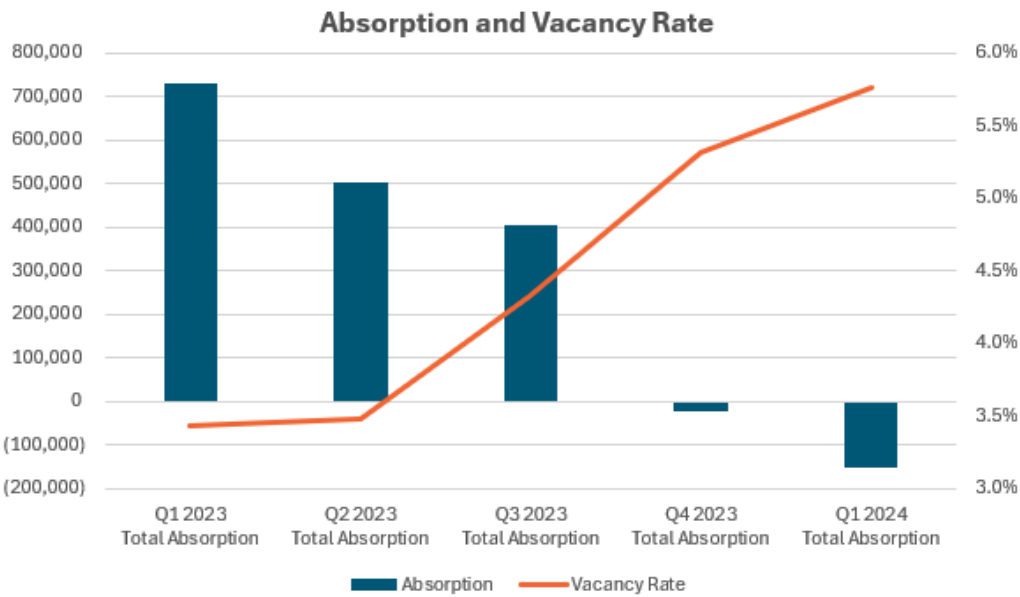
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	295	13,141,417	1,452,536	880,345	8,212	8,212	6.7%
Manufacturing	2,170	176,641,343	7,927,265	5,489,726	(334,775)	(334,775)	3.1%
Warehouse Distribution	796	130,844,052	14,416,410	13,312,908	228,613	228,613	10.2%
Warehouse Office	2,143	64,843,232	3,844,569	2,511,955	(55,919)	(55,919)	3.9%
Grand Total	5,404	385,470,044	27,640,780	22,194,934	(153,869)	(153,869)	5.8%

Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	295	13,141,417	1,184,919	874,193	3,112	3,112	6.7%
Manufacturing	2,170	176,641,343	7,738,859	5,429,756	(334,775)	(334,775)	3.1%
Warehouse Distribution	796	130,844,052	13,793,348	12,983,420	375,501	375,501	9.9%
Warehouse Office	2,143	64,843,232	3,662,278	2,385,167	(48,119)	(48,119)	3.7%
Grand Total	5,404	385,470,044	26,379,404	21,672,536	(4,281)	(4,281)	5.6%

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	13,141,417	267,617	6,152	5,100	5,100	0.0%
Manufacturing	2,170	176,641,343	188,406	59,970	0	0	0.0%
Warehouse Distribution	796	130,844,052	623,062	329,488	(146,888)	(146,888)	0.3%
Warehouse Office	2,143	64,843,232	182,291	126,788	(7,800)	(7,800)	0.2%
Grand Total	5,404	385,470,044	1,261,376	522,398	(149,588)	(149,588)	0.1%



Market Statistics by County (Multi and Single Tenant)

County	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Kenosha	Flex/R&D	8	682,599	220,000		0	0	0.0%
	Manufacturing	104	8,027,609	209,677	248,235	0	0	3.1%
	Warehouse Distribution	111	40,682,743	6,829,378	6,906,471	337,492	337,492	17.0%
	Warehouse Office	70	2,944,634	261,585		0	0	0.0%
	Subtotal	293	52,337,585	7,520,640	7,154,706	337,492	337,492	13.7%
Milwaukee	Flex/R&D	59	3,126,870	665,850	603,392	(9,430)	(9,430)	19.3%
	Manufacturing	662	60,273,950	5,442,290	4,210,593	(497,874)	(497,874)	7.0%
	Warehouse Distribution	287	35,407,302	3,330,201	2,531,244	(228,438)	(228,438)	7.1%
	Warehouse Office	690	23,608,672	2,173,104	1,571,648	(229,470)	(229,470)	6.7%
	Subtotal	1,698	122,416,794	11,611,445	8,916,877	(965,212)	(965,212)	7.3%
Ozaukee	Flex/R&D	22	670,913	68,334	29,248	(11,255)	(11,255)	4.4%
	Manufacturing	119	9,170,777	242,217	155,178	73,824	73,824	1.7%
	Warehouse Distribution	15	2,126,875	6,001	6,001	0	0	0.3%
	Warehouse Office	67	2,394,976	107,820	28,420	30,000	30,000	1.2%
	Subtotal	223	14,363,541	424,372	218,847	92,569	92,569	1.5%
Racine	Flex/R&D	13	698,354	13,092	29,414	3,028	3,028	4.2%
	Manufacturing	189	17,425,319	95,654	38,545	(10,725)	(10,725)	0.2%
	Warehouse Distribution	83	15,025,789	2,576,449	2,813,554	6,966	6,966	18.7%
	Warehouse Office	142	4,688,876	472,532	443,180	0	0	9.5%
	Subtotal	427	37,838,338	3,157,727	3,324,693	(731)	(731)	8.8%
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	109,855	4,625	0	0	0.2%
	Subtotal	276	27,269,729	647,138	332,879	0	0	1.2%
Walworth	Flex/R&D	4	94,396			0	0	0.0%
	Manufacturing	126	9,721,259	419,969	19,336	78,000	78,000	0.2%
	Warehouse Distribution	30	3,135,417	181,940		0	0	0.0%
	Warehouse Office	76	2,165,145	78,950	78,950	(38,950)	(38,950)	3.6%
	Subtotal	236	15,116,217	680,859	98,286	39,050	39,050	0.7%
Washington	Flex/R&D	16	576,721	54,894	50,226	25,332	25,332	8.7%
	Manufacturing	231	14,790,839	150,380	132,940	0	0	0.9%
	Warehouse Distribution	78	10,711,944	764,921	764,921	1,550	1,550	7.1%
	Warehouse Office	178	4,914,852	219,787	165,507	221,160	221,160	3.4%
	Subtotal	503	30,994,356	1,189,982	1,113,594	248,042	248,042	3.6%
Waukesha	Flex/R&D	172	7,260,844	430,366	163,065	537	537	2.2%
	Manufacturing	588	37,472,489	1,043,824	361,645	22,000	22,000	1.0%
	Warehouse Distribution	158	18,621,746	513,491	290,717	111,043	111,043	1.6%
	Warehouse Office	830	21,778,405	420,936	219,625	(38,659)	(38,659)	1.0%
	Subtotal	1,748	85,133,484	2,408,617	1,035,052	94,921	94,921	1.2%
Grand Total		5,404	385,470,044	27,640,780	22,194,934	(153,869)	(153,869)	5.8%

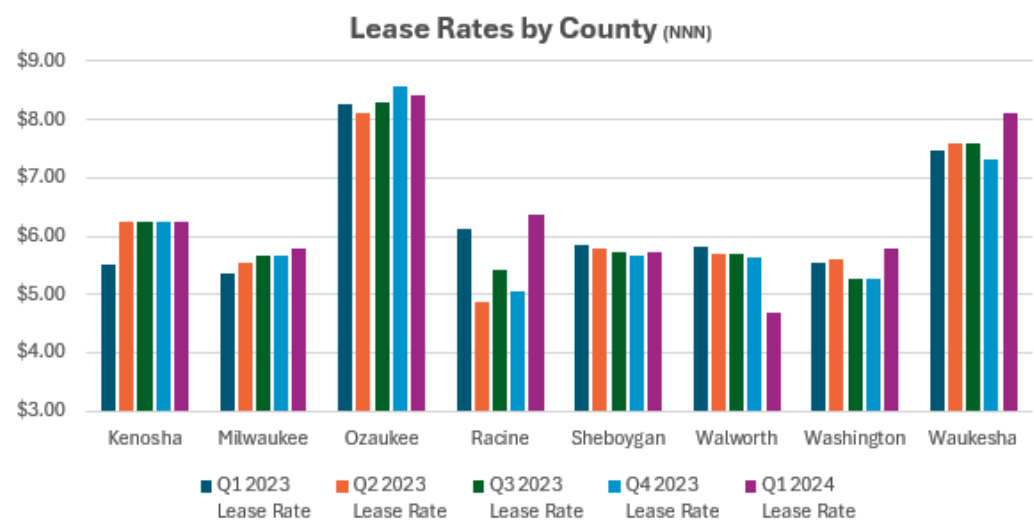
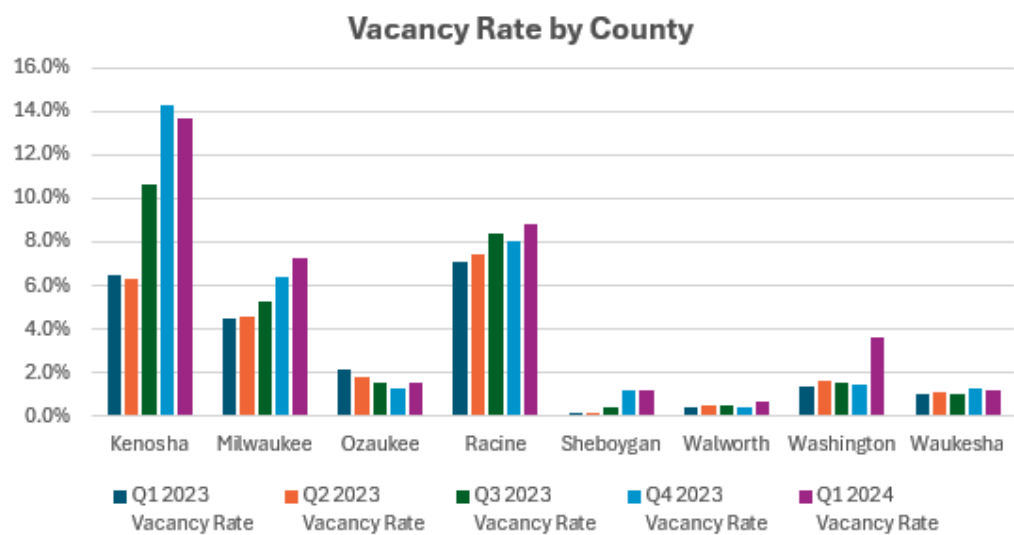
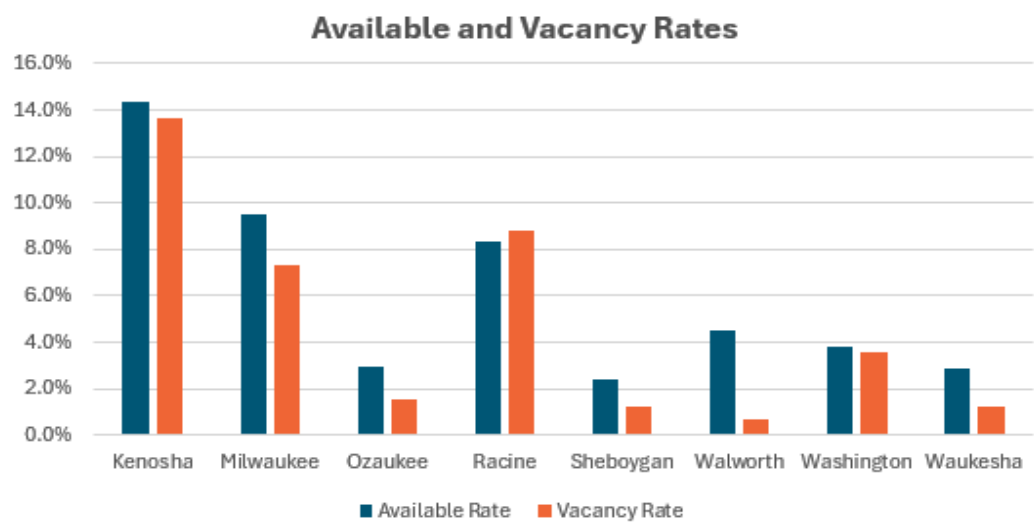
Vacancy Rates by County (Multi and Single Tenant)

County	Property Type	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 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%	1.7%	3.1%	3.1%
	Warehouse Distribution	8.2%	7.9%	13.5%	17.8%	17.0%
	Warehouse Office	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	6.5%	6.3%	10.6%	14.3%	13.7%
Milwaukee	Flex/R&D	18.9%	19.0%	18.1%	18.5%	19.3%
	Manufacturing	4.1%	4.1%	4.9%	6.2%	7.0%
	Warehouse Distribution	3.5%	3.3%	4.8%	6.6%	7.1%
	Warehouse Office	5.1%	5.6%	4.8%	5.2%	6.7%
	Subtotal	4.5%	4.6%	5.2%	6.4%	7.3%
Ozaukee	Flex/R&D	4.0%	4.0%	3.6%	2.7%	4.4%
	Manufacturing	2.2%	1.7%	1.3%	1.1%	1.7%
	Warehouse Distribution	0.3%	0.3%	0.3%	0.3%	0.3%
	Warehouse Office	3.3%	2.8%	2.8%	2.4%	1.2%
	Subtotal	2.2%	1.8%	1.5%	1.3%	1.5%
Racine	Flex/R&D	5.3%	5.3%	5.3%	4.6%	4.2%
	Manufacturing	0.1%	0.2%	0.2%	0.2%	0.2%
	Warehouse Distribution	15.4%	16.1%	17.8%	17.0%	18.7%
	Warehouse Office	9.6%	9.6%	9.6%	9.5%	9.5%
	Subtotal	7.1%	7.4%	8.4%	8.0%	8.8%
Sheboygan	Flex/R&D	16.3%	16.3%	16.3%	16.3%	16.3%
	Manufacturing	0.1%	0.1%	0.5%	1.6%	1.6%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	0.0%	0.0%	0.2%	0.2%	0.2%
	Subtotal	0.1%	0.1%	0.4%	1.2%	1.2%
Walworth	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	0.2%	0.4%	0.4%	0.2%	0.2%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	2.0%	1.8%	1.8%	1.8%	3.6%
	Subtotal	0.4%	0.5%	0.5%	0.4%	0.7%
Washington	Flex/R&D	6.8%	4.5%	4.5%	5.2%	8.7%
	Manufacturing	0.4%	0.8%	0.8%	0.9%	0.9%
	Warehouse Distribution	2.2%	2.5%	2.2%	1.8%	7.1%
	Warehouse Office	2.0%	1.9%	1.7%	2.0%	3.4%
	Subtotal	1.4%	1.6%	1.5%	1.4%	3.6%
Waukesha	Flex/R&D	2.7%	2.9%	2.6%	2.3%	2.2%
	Manufacturing	0.3%	0.5%	0.4%	1.0%	1.0%
	Warehouse Distribution	1.4%	2.2%	1.7%	1.7%	1.6%
	Warehouse Office	1.5%	0.7%	0.9%	0.8%	1.0%
	Subtotal	1.1%	1.1%	1.0%	1.2%	1.2%
Grand Total		3.4%	3.5%	4.3%	5.3%	5.8%

Lease Rates by County (Multi and Single Tenant)

County	Property Type	Q1 2023 Lease Rate	Q2 2023 Lease Rate	Q3 2023 Lease Rate	Q4 2023 Lease Rate	Q1 2024 Lease Rate
Kenosha	Flex/R&D					
	Manufacturing					
	Warehouse Distribution	\$5.50	\$6.25	\$6.25	\$6.25	\$6.25
	Warehouse Office					
	Subtotal	\$5.50	\$6.25	\$6.25	\$6.25	\$6.25
Milwaukee	Flex/R&D	\$7.04	\$7.12	\$7.12	\$7.07	\$7.04
	Manufacturing	\$4.98	\$4.92	\$5.01	\$4.89	\$4.82
	Warehouse Distribution	\$5.24	\$5.28	\$5.24	\$5.33	\$5.96
	Warehouse Office	\$5.12	\$5.46	\$5.67	\$5.73	\$5.96
	Subtotal	\$5.36	\$5.55	\$5.65	\$5.65	\$5.78
Ozaukee	Flex/R&D	\$8.88	\$8.92	\$9.13	\$9.17	\$10.38
	Manufacturing	\$3.50	\$3.50	\$3.50	\$11.54	\$3.50
	Warehouse Distribution	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50
	Warehouse Office	\$9.81	\$9.75	\$9.75	\$7.75	\$8.38
	Subtotal	\$8.25	\$8.13	\$8.31	\$8.58	\$8.41
Racine	Flex/R&D	\$11.25				
	Manufacturing	\$4.98	\$5.23	\$4.98	\$4.98	\$6.59
	Warehouse Distribution	\$4.70	\$4.15	\$5.25	\$5.25	\$5.25
	Warehouse Office			\$6.95		
	Subtotal	\$6.12	\$4.87	\$5.43	\$5.05	\$6.37
Sheboygan	Flex/R&D					
	Manufacturing	\$5.85	\$5.74	\$5.74	\$5.64	\$5.75
	Warehouse Distribution					
	Warehouse Office	\$5.83	\$5.83	\$5.70	\$5.70	\$5.70
	Subtotal	\$5.84	\$5.78	\$5.73	\$5.66	\$5.73
Walworth	Flex/R&D					
	Manufacturing	\$4.82	\$4.75	\$4.75	\$4.25	\$4.25
	Warehouse Distribution	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50
	Warehouse Office	\$7.50	\$7.23	\$7.23	\$8.50	\$5.25
	Subtotal	\$5.83	\$5.70	\$5.70	\$5.63	\$4.70
Washington	Flex/R&D	\$5.38	\$5.67	\$5.67	\$5.13	\$5.50
	Manufacturing	\$3.63	\$3.92	\$3.92	\$4.56	\$5.24
	Warehouse Distribution	\$5.88	\$5.00			
	Warehouse Office	\$6.15	\$6.52	\$6.26	\$6.26	\$6.87
	Subtotal	\$5.55	\$5.60	\$5.28	\$5.25	\$5.78
Waukesha	Flex/R&D	\$8.17	\$8.13	\$8.07	\$7.71	\$8.66
	Manufacturing	\$5.95	\$5.47	\$5.36	\$5.36	\$6.65
	Warehouse Distribution	\$6.99	\$8.24	\$8.24	\$8.04	\$7.74
	Warehouse Office	\$6.84	\$7.11	\$7.09	\$6.71	\$7.06
	Subtotal	\$7.48	\$7.60	\$7.59	\$7.31	\$8.11
Grand Total		\$6.26	\$6.38	\$6.35	\$6.24	\$6.60

Multi and Single Tenant



Market Overview (Multi-Tenant)

Total

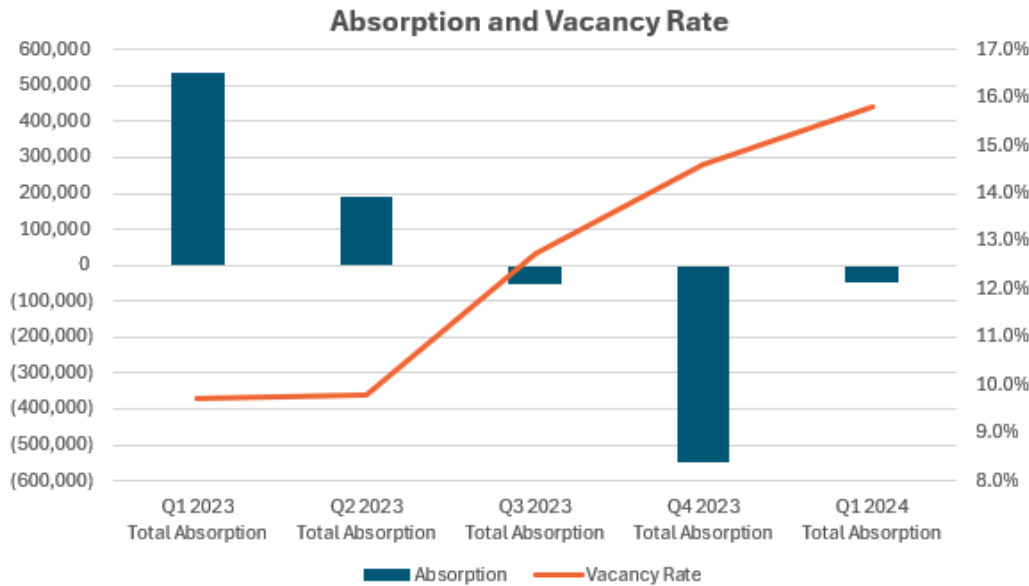
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	232	9,970,475	1,263,096	715,545	5,512	5,512	7.2%
Manufacturing	170	20,106,351	3,177,537	2,445,295	(620,040)	(620,040)	12.2%
Warehouse Distribution	250	46,816,258	11,413,874	10,864,666	508,497	508,497	23.2%
Warehouse Office	589	23,639,796	2,818,010	1,868,115	60,444	60,444	7.9%
Grand Total	1,241	100,532,880	18,672,517	15,893,621	(45,587)	(45,587)	15.8%

Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	232	9,970,475	996,679	709,393	3,112	3,112	7.1%
Manufacturing	170	20,106,351	3,086,601	2,445,295	(620,040)	(620,040)	12.2%
Warehouse Distribution	250	46,816,258	11,135,447	10,651,066	583,497	583,497	22.8%
Warehouse Office	589	23,639,796	2,704,189	1,773,327	68,244	68,244	7.5%
Grand Total	1,241	100,532,880	17,922,916	15,579,081	34,813	34,813	15.5%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	232	9,970,475	266,417	6,152	2,400	2,400	0.1%
Manufacturing	170	20,106,351	90,936		0	0	0.0%
Warehouse Distribution	250	46,816,258	278,427	213,600	(75,000)	(75,000)	0.5%
Warehouse Office	589	23,639,796	113,821	94,788	(7,800)	(7,800)	0.4%
Grand Total	1,241	100,532,880	749,601	314,540	(80,400)	(80,400)	0.3%



Market Statistics by County (Multi-Tenant)

County	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Kenosha	Flex/R&D	7	652,311	220,000		0	0	0.0%
	Manufacturing	6	1,333,434	96,516	135,074	0	0	10.1%
	Warehouse Distribution	41	14,240,139	5,882,084	5,959,177	337,492	337,492	41.8%
	Warehouse Office	11	657,354	261,585		0	0	0.0%
	Subtotal	65	16,883,238	6,460,185	6,094,251	337,492	337,492	36.1%
Milwaukee	Flex/R&D	47	2,339,828	501,050	438,592	(9,430)	(9,430)	18.7%
	Manufacturing	65	11,215,151	2,412,718	2,025,993	(636,664)	(636,664)	18.1%
	Warehouse Distribution	102	14,532,607	2,615,706	2,224,308	3,498	3,498	15.3%
	Warehouse Office	204	10,080,374	1,502,542	1,049,185	(132,115)	(132,115)	10.4%
	Subtotal	418	38,167,960	7,032,016	5,738,078	(774,711)	(774,711)	15.0%
Ozaukee	Flex/R&D	19	614,555	68,334	29,248	(11,255)	(11,255)	4.8%
	Manufacturing	11	1,325,247	128,628	100,178	(201)	(201)	7.6%
	Warehouse Distribution	2	474,845	6,001	6,001	0	0	1.3%
	Warehouse Office	20	965,993	38,960	18,960	30,000	30,000	2.0%
	Subtotal	52	3,380,640	241,923	154,387	18,544	18,544	4.6%
Racine	Flex/R&D	7	349,966	13,092	29,414	3,028	3,028	8.4%
	Manufacturing	11	1,291,078	20,675	20,675	(5,175)	(5,175)	1.6%
	Warehouse Distribution	30	6,761,746	1,651,488	1,641,488	32,968	32,968	24.3%
	Warehouse Office	26	1,477,202	443,180	443,180	0	0	30.0%
	Subtotal	74	9,879,992	2,128,435	2,134,757	30,821	30,821	21.6%
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%
	Subtotal	25	2,031,135	289,454	110,425	0	0	5.4%
Walworth	Flex/R&D	3	55,027			0	0	0.0%
	Manufacturing	3	82,001	40,294		0	0	0.0%
	Warehouse Distribution	5	523,862			0	0	0.0%
	Warehouse Office	9	408,412	25,000	25,000	0	0	6.1%
	Subtotal	20	1,069,302	65,294	25,000	0	0	2.3%
Washington	Flex/R&D	11	477,150	54,894	50,226	25,332	25,332	10.5%
	Manufacturing	18	717,380	59,000	39,000	0	0	5.4%
	Warehouse Distribution	19	4,188,588	764,921	764,921	1,550	1,550	18.3%
	Warehouse Office	55	1,799,467	199,742	148,296	220,668	220,668	8.2%
	Subtotal	103	7,182,585	1,078,557	1,002,443	247,550	247,550	14.0%
Waukesha	Flex/R&D	137	5,450,918	405,726	163,065	(2,163)	(2,163)	3.0%
	Manufacturing	47	3,301,386	318,906	23,575	22,000	22,000	0.7%
	Warehouse Distribution	48	5,368,876	309,645	268,771	132,989	132,989	5.0%
	Warehouse Office	252	7,816,848	342,376	178,869	(58,109)	(58,109)	2.3%
	Subtotal	484	21,938,028	1,376,653	634,280	94,717	94,717	2.9%
Grand Total		1,241	100,532,880	18,672,517	15,893,621	(45,587)	(45,587)	15.8%

Vacancy Rates by County (Multi-Tenant)

County	Property Type	Q1 2023 Vacancy Rate	Q2 2023 Vacancy Rate	Q3 2023 Vacancy Rate	Q4 2023 Vacancy Rate	Q1 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%	10.1%
	Warehouse Distribution	26.5%	26.0%	37.8%	44.2%	41.8%
	Warehouse Office	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	22.3%	21.9%	32.2%	38.1%	36.1%
Milwaukee	Flex/R&D	18.5%	18.6%	17.5%	17.7%	18.7%
	Manufacturing	8.3%	8.3%	10.6%	12.4%	18.1%
	Warehouse Distribution	8.0%	7.7%	11.4%	15.3%	15.3%
	Warehouse Office	9.5%	9.8%	8.1%	7.9%	10.4%
	Subtotal	9.2%	9.2%	10.7%	12.7%	15.0%
Ozaukee	Flex/R&D	4.4%	4.3%	3.9%	2.9%	4.8%
	Manufacturing	11.8%	11.8%	7.0%	7.5%	7.6%
	Warehouse Distribution	1.3%	1.3%	1.3%	1.3%	1.3%
	Warehouse Office	6.0%	6.0%	6.0%	5.1%	2.0%
	Subtotal	7.3%	7.3%	5.3%	5.1%	4.6%
Racine	Flex/R&D	10.1%	10.1%	10.1%	9.3%	8.4%
	Manufacturing	0.6%	1.2%	1.2%	1.2%	1.6%
	Warehouse Distribution	14.7%	16.4%	24.0%	22.1%	24.3%
	Warehouse Office	30.0%	30.0%	30.0%	30.0%	30.0%
	Subtotal	15.1%	16.2%	21.3%	20.0%	21.6%
Sheboygan	Flex/R&D	16.3%	16.3%	16.3%	16.3%	16.3%
	Manufacturing	0.0%	0.0%	12.0%	12.0%	12.0%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	0.0%	0.0%	1.1%	1.1%	1.1%
	Subtotal	0.3%	0.3%	5.4%	5.4%	5.4%
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%
	Subtotal	2.3%	2.3%	2.3%	2.3%	2.3%
Washington	Flex/R&D	8.4%	5.5%	5.5%	6.4%	10.5%
	Manufacturing	5.4%	5.4%	5.4%	5.4%	5.4%
	Warehouse Distribution	6.3%	7.1%	6.3%	5.1%	18.3%
	Warehouse Office	5.7%	5.5%	5.2%	4.9%	8.2%
	Subtotal	6.2%	6.4%	5.9%	5.2%	14.0%
Waukesha	Flex/R&D	3.6%	3.9%	3.4%	3.0%	3.0%
	Manufacturing	1.4%	1.4%	1.4%	1.4%	0.7%
	Warehouse Distribution	4.9%	7.5%	5.7%	6.1%	5.0%
	Warehouse Office	2.4%	1.0%	1.9%	1.5%	2.3%
	Subtotal	3.2%	3.4%	3.1%	3.0%	2.9%
Grand Total		9.7%	9.8%	12.8%	14.6%	15.8%

Lease Rates by County (Multi-Tenant)

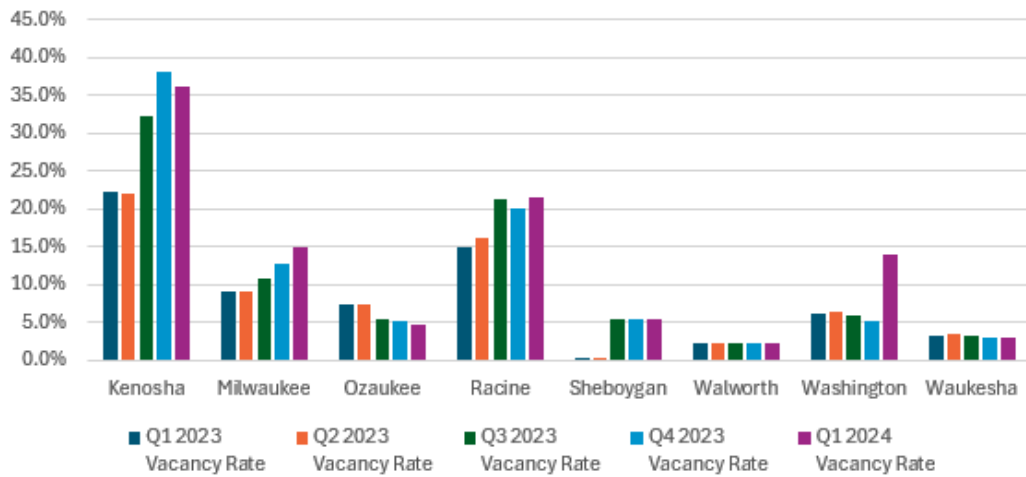
County	Property Type	Q1 2023 Lease Rate	Q2 2023 Lease Rate	Q3 2023 Lease Rate	Q4 2023 Lease Rate	Q1 2024 Lease Rate
Kenosha	Flex/R&D					
	Manufacturing					
	Warehouse Distribution	\$5.50	\$6.25	\$6.25	\$6.25	\$6.25
	Warehouse Office					
	Subtotal	\$5.50	\$6.25	\$6.25	\$6.25	\$6.25
Milwaukee	Flex/R&D	\$7.04	\$7.12	\$7.12	\$7.07	\$7.04
	Manufacturing	\$4.07	\$3.90	\$3.74	\$3.85	\$3.96
	Warehouse Distribution	\$5.24	\$5.28	\$5.24	\$5.33	\$5.83
	Warehouse Office	\$4.98	\$5.08	\$5.30	\$5.18	\$5.48
	Subtotal	\$5.21	\$5.27	\$5.36	\$5.27	\$5.52
Ozaukee	Flex/R&D	\$8.88	\$8.92	\$9.13	\$9.17	\$10.38
	Manufacturing	\$3.50	\$3.50	\$3.50	\$11.54	\$3.50
	Warehouse Distribution	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50
	Warehouse Office	\$11.25	\$11.25	\$11.25	\$8.75	\$10.00
	Subtotal	\$8.21	\$8.32	\$8.50	\$8.88	\$8.64
Racine	Flex/R&D	\$11.25				
	Manufacturing	\$6.00	\$6.50	\$6.50	\$6.50	\$6.50
	Warehouse Distribution	\$4.70	\$4.15	\$5.25	\$5.25	\$5.25
	Warehouse Office			\$6.95		
	Subtotal	\$6.66	\$5.33	\$6.23	\$5.88	\$5.88
Sheboygan	Flex/R&D					
	Manufacturing			\$5.75	\$5.75	\$5.75
	Warehouse Distribution					
	Warehouse Office	\$5.83	\$5.83	\$5.70	\$5.70	\$5.70
	Subtotal	\$5.83	\$5.83	\$5.73	\$5.73	\$5.73
Walworth	Flex/R&D					
	Manufacturing	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75
	Warehouse Distribution					
	Warehouse Office					
	Subtotal	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75
Washington	Flex/R&D	\$5.38	\$5.67	\$5.67	\$5.13	\$5.50
	Manufacturing	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63
	Warehouse Distribution	\$5.88	\$5.00			
	Warehouse Office	\$6.84	\$6.95	\$6.92	\$6.92	\$7.80
	Subtotal	\$5.71	\$5.57	\$5.44	\$5.22	\$5.64
Waukesha	Flex/R&D	\$8.17	\$8.13	\$8.07	\$7.71	\$8.50
	Manufacturing	\$5.95	\$5.95	\$5.36	\$5.36	\$6.65
	Warehouse Distribution	\$6.99	\$8.24	\$8.24	\$8.04	\$7.74
	Warehouse Office	\$6.89	\$7.16	\$7.06	\$6.66	\$7.16
	Subtotal	\$7.56	\$7.73	\$7.63	\$7.37	\$8.06
Grand Total		\$6.27	\$6.42	\$6.37	\$6.19	\$6.67

Multi-Tenant

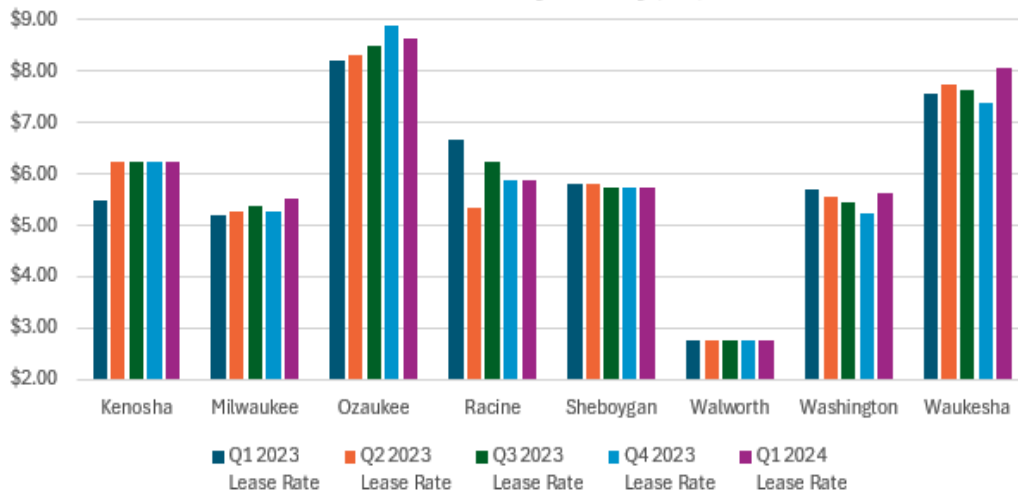
Available and Vacancy Rates



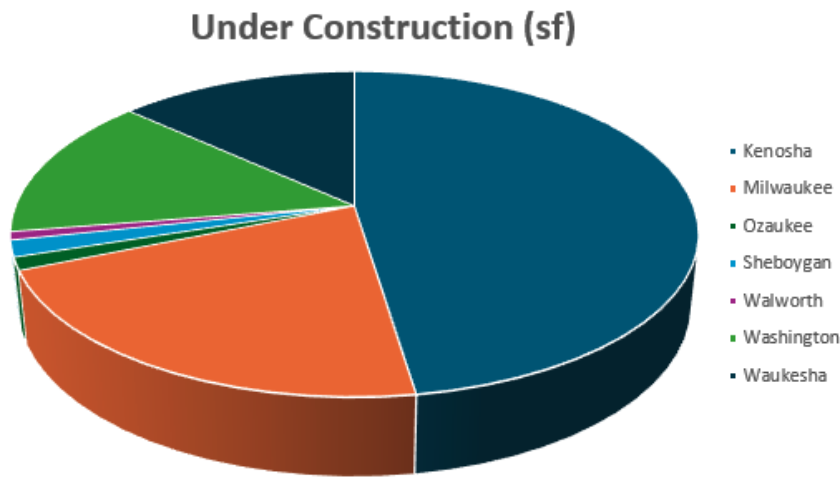
Vacancy Rate by County



Lease Rates by County (NNN)

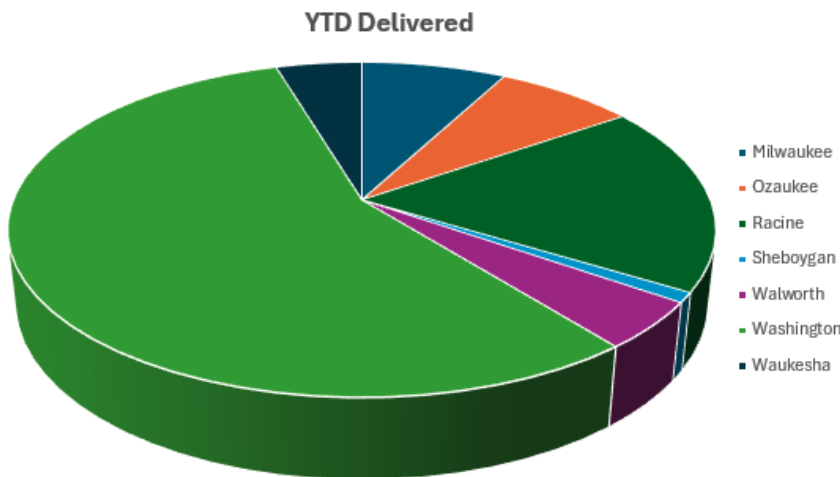


New Developments



County	Bldg (sf)
Kenosha	1,449,000
Milwaukee	644,326
Ozaukee	38,843
Sheboygan	49,500
Walworth	25,000
Washington	433,450
Waukesha	404,952
Grand Total	3,045,071

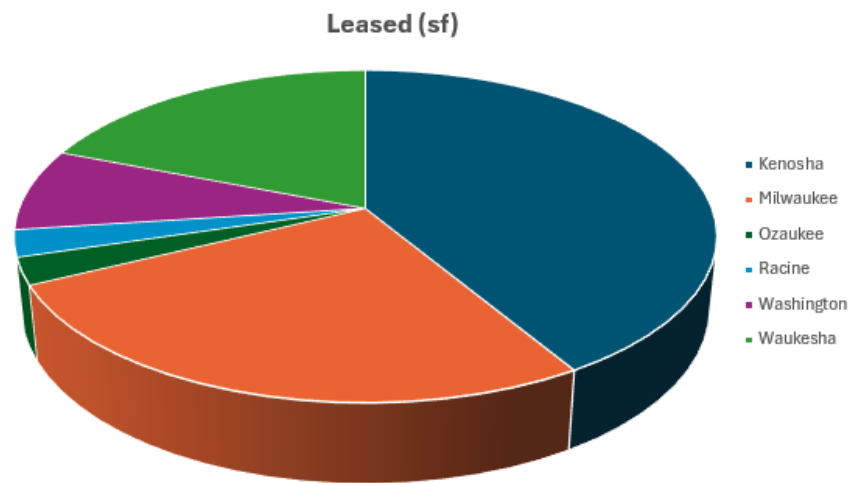
Year to Date Deliveries



County	Bldg (sf)
Milwaukee	133,495
Ozaukee	129,025
Racine	311,360
Sheboygan	16,128
Walworth	78,000
Washington	956,134
Waukesha	79,200
Grand Total	1,703,342

Leasing Activity

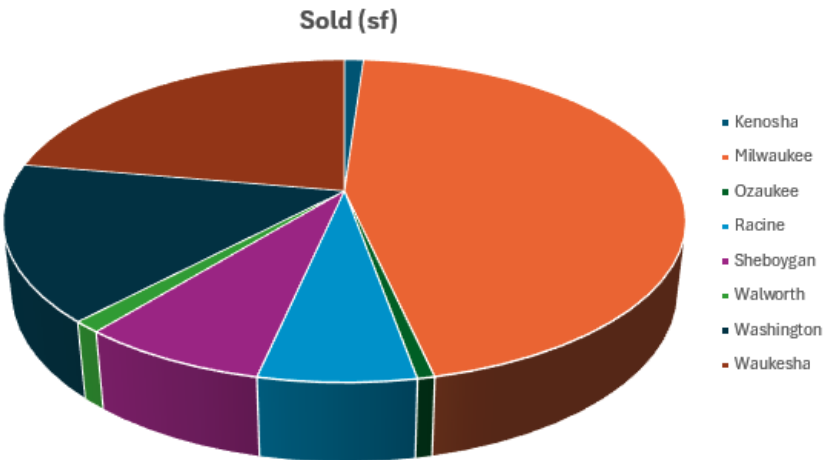
Property	Size (sf)	County	Tenant	Landlord
Bristol Highlands Commerce 9403 136th Ave	447,216	Kenosha	Haribo	Bristol Highlands Industrial LLC
First Park 94 38th St & 88th Ave	209,054	Kenosha	Purpose Built Brands	First Park 94 LLC
Lakeview Corporate Park 10550 86th Ave	146,900	Kenosha	Concept Laboratories	G&I UL & USF IL Pool I LLC
W204 N13035 Goldendale Rd	117,324	Washington	WB Warehousing	The Dickman Company
W134 N5450 Campbell Dr	59,388	Waukesha	Rexel USA Inc	Campbell Partners LLC



County	Leased SF
Kenosha	803,170
Milwaukee	511,429
Ozaukee	50,689
Racine	50,532
Washington	155,596
Waukesha	369,664
Grand Total	1,941,080

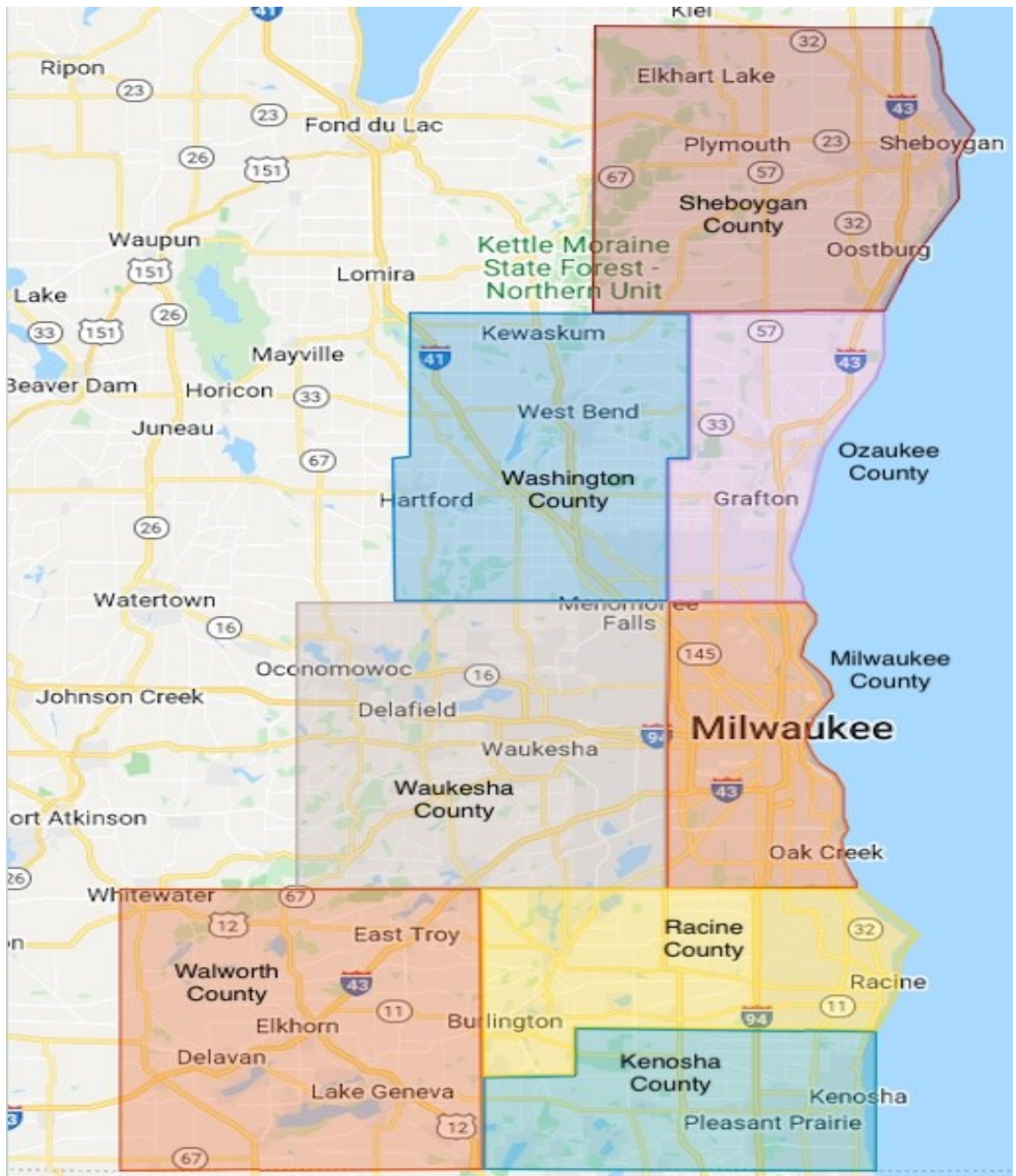
Sales Activity

Property	Price	County	Buyer	Seller
700 E Rawson Ave	\$19,305,000	Milwaukee	Terminal Properties, LLC	YRC Inc
900 W Drexel Ave	\$6,500,000	Milwaukee	Sawalk Enterprises, LLC	Superior Die Set Corp
7350 S 6th St	\$5,400,000	Milwaukee	7350 T LLC	7350 Oak Creek LLC
Continental Business Center 5731 Ridgewood Dr	\$4,700,000	Waukesha	Ridgewood Partners, LLC	Hendricks Commercial Properties LLC
520 Forest Ave	\$3,076,000	Sheboygan	American Builders & Contractors Supply Co	Sedulous Holdings LLC



County	Sold (sf)
Kenosha	15,499
Milwaukee	653,030
Ozaukee	9,936
Racine	90,220
Sheboygan	107,736
Walworth	16,441
Washington	225,858
Waukesha	320,148
Grand Total	1,438,868

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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	Trent Poole		Patrick Hanrahan
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	Jim Larkin	Ogden	Luke Fehrenbach
Cushman & Wakefield Boerke	Nick Unger		Bob Gintoft
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		Summit	Mark Gorski

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Colliers	Will Braxton	Newmark	Nate Winkel
Cushman & Wakefield Boerke	Dan Palec		

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