

CoStar Office Statistics

Third Quarter 2018

Milwaukee Office Market



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IMPORTANT FEATURE ANNOUNCEMENT

New Market Reports Now Available

Market Reports have received a major upgrade.

The new reports are dynamic: You can now run a report anytime.
They also incorporate many more markets and submarkets,
and include five-year forecasts for several KPIs.

These new reports can be found at the Markets & Submarkets
link on CoStar.com under the Analytics menu.

The final publication of this legacy report will be Year-End 2018.



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Methodology

The CoStar Office Report, unless specifically stated otherwise, calculates office statistics using CoStar Group's entire database of existing and under construction office buildings in each metropolitan area. Included are office, office condominium, office loft, office medical, all classes and all sizes, and both multi-tenant and single-tenant buildings, including owner-occupied buildings. CoStar Group's global database includes approximately 119 billion square feet of coverage in 5.4 million properties. All rental rates reported in the CoStar Office Report have been converted to a Full Service equivalent rental rate.

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CoStar Group, Inc.

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Terms & Definitions

Availability Rate: The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

Available Space: The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

Build-to-Suit: A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

Buyer: The individual, group, company, or entity that has purchased a commercial real estate asset.

Cap Rate: Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

CBD: Abbreviation for Central Business District. (See also: Central Business District)

Central Business District: The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

Class A: A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

Class B: A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Class C: A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Construction Starts: Buildings that began construction during a specific period of time. (See also: Deliveries)

Contiguous Blocks of Space: Space within a building that is, or is able to be joined together into a single contiguous space.

Deliveries: Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certi-

cate of occupancy must have been issued for the property.

Delivery Date: The date a building completes construction and receives a certificate of occupancy.

Developer: The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

Direct Space: Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

Existing Inventory: The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

Flex Building: A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

Full Service Rental Rate: Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

Gross Absorption: The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing Activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

Growth in Inventory: The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

Industrial Building: A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

Landlord Rep: (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

Leased Space: All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

Leasing Activity: The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

Market: Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

Multi-Tenant: Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different

tenant needs. (See also: Tenancy).

Net Absorption: The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

Net Rental Rate: A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

New Space: Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

Occupied Space: Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

Office Building: A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

Owner: The company, entity, or individual that holds title on a given building or property.

Planned/Proposed: The status of a building that has been announced for future development but not yet started construction.

Preleased Space: The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

Price/SF: Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

Property Manager: The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

Quoted Rental Rate: The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

RBA: Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

Region: Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

Relet Space: Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

Rentable Building Area: (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

Rental Rates: The annual costs of occupancy for a particular space quoted on a per square foot basis.

Sales Price: The total dollar amount paid for a particular property at a particular point in time.

Sales Volume: The sum of sales prices for a given group of buildings in a given time period.

Seller: The individual, group, company, or entity that sells a particular commercial real estate asset.

SF: Abbreviation for Square Feet.

Single-Tenant: Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

Sublease Space: Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

Submarkets: Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

Suburban: The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

Tenancy: A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

Tenant Rep: Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

Time On Market: A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

Under Construction: Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

Vacancy Rate: A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

Vacant Space: Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

Weighted Average Rental Rate: Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

Year Built: The year in which a building completed construction and was issued a certificate of occupancy.

YTD: Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

Milwaukee Office Market



Overview

Milwaukee's Vacancy at 7.1%

Net Absorption Positive 19,562 SF in the Quarter

The Milwaukee Office market ended the third quarter 2018 with a vacancy rate of 7.1%. The vacancy rate was unchanged over the previous quarter, with net absorption totaling positive 19,562 square feet in the third quarter. Vacant sublease space increased in the quarter, ending the quarter at 289,173 square feet. Rental rates ended the third quarter at \$16.18, a decrease over the previous quarter. There was 755,537 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Milwaukee office market was positive 19,562 square feet in the third quarter 2018. That compares to positive 60,393 square feet in the second quarter 2018, negative (80,809) square feet in the first quarter 2018, and positive 481,975 square feet in the fourth quarter 2017.

Tenants moving out of large blocks of space in 2018 include: GE Healthcare moving out of 193,780 square feet at N16W22419 Watertown Road; Younkers moving out of 173,928 square feet at 640 N 4th St; and John Controls moving out of 139,450 square feet at 801 S 60th St.

Tenants moving into large blocks of space in 2018 include: Fidelity Information Services moving into 123,543 square feet at 11200 W Parkland Avenue; Spaces moving into 43,129 square feet at 1433 N Water Street; and WageWorks, Inc. moving into 37,000 square feet at 735 N Water Street.

The Class-A office market recorded net absorption of negative (49,693) square feet in the third quarter 2018, compared to negative (12,554) square feet in the second quarter 2018, positive 25,562 in the first quarter 2018, and positive

424,732 in the fourth quarter 2017.

The Class-B office market recorded net absorption of positive 52,914 square feet in the third quarter 2018, compared to negative (42,184) square feet in the second quarter 2018, negative (94,280) in the first quarter 2018, and positive 58,449 in the fourth quarter 2017.

The Class-C office market recorded net absorption of positive 16,341 square feet in the third quarter 2018 compared to positive 115,131 square feet in the second quarter 2018, negative (12,091) in the first quarter 2018, and negative (1,206) in the fourth quarter 2017.

Net absorption for Milwaukee's central business district was positive 20,828 square feet in the third quarter 2018. That compares to positive 105,869 square feet in the second quarter 2018, negative (44,943) in the first quarter 2018, and negative (13,115) in the fourth quarter 2017.

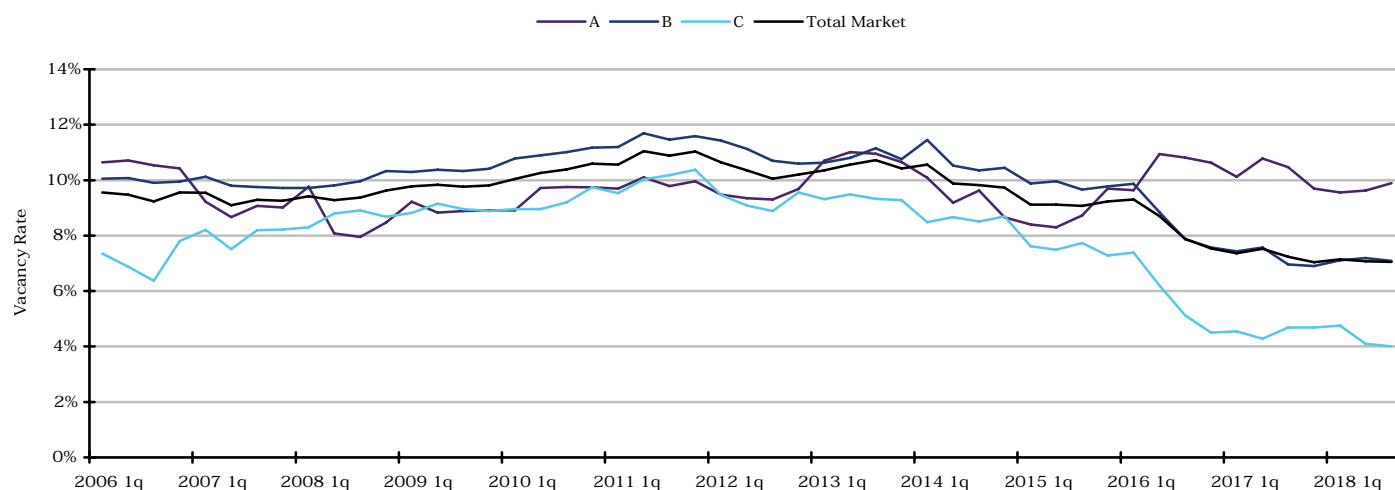
Net absorption for the suburban markets was negative (1,266) square feet in the third quarter 2018. That compares to negative (45,476) square feet in second quarter 2018, negative (35,866) in the first quarter 2018, and positive 495,090 in the fourth quarter 2017.

Vacancy

The office vacancy rate in the Milwaukee market area remained at 7.1% for the first, second and third quarters of 2018, and a reported 7.0% at the end of the fourth quarter 2017.

Class-A projects reported a vacancy rate of 9.9% at the end of the third quarter 2018, 9.6% at the end of the first and second quarters 2018, and 9.7% at the end of the fourth quarter

Vacancy Rates by Class 2006-2018



Source: CoStar Property®

ter 2017.

Class-B projects reported a vacancy rate of 7.1% at the end of the third quarter 2018, 7.2% at the end of the second quarter 2018, 7.1% at the end of the first quarter 2018, and 6.9% at the end of the fourth quarter 2017.

Class-C projects reported a vacancy rate of 4.0% at the end of the third quarter 2018, 4.1% at the end of second quarter 2018, 4.8% at the end of the first quarter 2018, and 4.7% at the end of the fourth quarter 2017.

The overall vacancy rate in Milwaukee's central business district at the end of the third quarter 2018 decreased to 7.5%. The vacancy rate was 7.7% at the end of the second quarter 2018, 8.2% at the end of the first quarter 2018, and 8.0% at the end of the fourth quarter 2017.

The vacancy rate in the suburban markets remained at 6.9% in the second and third quarters of 2018, 6.8% at the end of the first quarter 2018, and at the end of the fourth quarter 2017.

Largest Lease Signings

The largest lease signings occurring in 2018 included: the 85,000-square-foot lease signed by Insinkerator at 1400 International Drive in the Racine County market; the 43,129-square-foot deal signed by Spaces at 1433 N Water Street in the Downtown market; and the 20,000-square-foot lease signed by Commercial Banking at Town Bank at 731 N Jackson Street in the Milwaukee County market.

Sublease Vacancy

The amount of vacant sublease space in the Milwaukee market increased to 289,173 square feet by the end of the third quarter 2018, from 282,079 square feet at the end of the second quarter 2018. There was 83,686 square feet vacant at the end of the first quarter 2018 and 70,792 square feet at the end of the fourth quarter 2017.

Milwaukee's Class-A projects reported vacant sublease

space of 206,969 square feet at the end of third quarter 2018, down from the 224,730 square feet reported at the end of the second quarter 2018. There were 64,760 square feet of sublease space vacant at the end of the first quarter 2018, and 51,866 square feet at the end of the fourth quarter 2017.

Class-B projects reported vacant sublease space of 79,204 square feet at the end of the third quarter 2018, up from the 54,349 square feet reported at the end of the second quarter 2018. At the end of the first quarter 2018 there were 12,422 square feet, and at the end of the fourth quarter 2017 there were 12,422 square feet vacant.

Class-C projects reported no vacant sublease space from the second quarter 2018 to the third quarter 2018. Sublease vacancy went from 3,000 square feet to 3,000 square feet during that time. There was 6,504 square feet at the end of the first quarter 2018, and 6,504 square feet at the end of the fourth quarter 2017.

Sublease vacancy in Milwaukee's central business district stood at 21,943 square feet at the end of the third quarter 2018. It was 20,815 square feet at the end of the second quarter 2018, 20,221 square feet at the end of the first quarter 2018, and 20,221 square feet at the end of the fourth quarter 2017.

Sublease vacancy in the suburban markets ended the third quarter 2018 at 267,230 square feet. At the end of the second quarter 2018 sublease vacancy was 261,264 square feet, was 63,465 square feet at the end of the first quarter 2018, and was 50,571 square feet at the end of the fourth quarter 2017.

Rental Rates

The average quoted asking rental rate for available office space, all classes, was \$16.18 per square foot per year at the end of the third quarter 2018 in the Milwaukee market area. This represented a 0.5% decrease in quoted rental rates from the end of the second quarter 2018, when rents were reported at \$16.26 per square foot.

The average quoted rate within the Class-A sector was \$19.38 at the end of the third quarter 2018, while Class-B rates stood at \$15.20, and Class-C rates at \$13.12. At the end of the second quarter 2018, Class-A rates were \$19.44 per square foot, Class-B rates were \$15.30, and Class-C rates were \$13.46.

The average quoted asking rental rate in Milwaukee's CBD was \$19.68 at the end of the third quarter 2018, and \$15.08 in the suburban markets. In the second quarter 2018, quoted rates were \$19.57 in the CBD and \$15.19 in the suburbs.

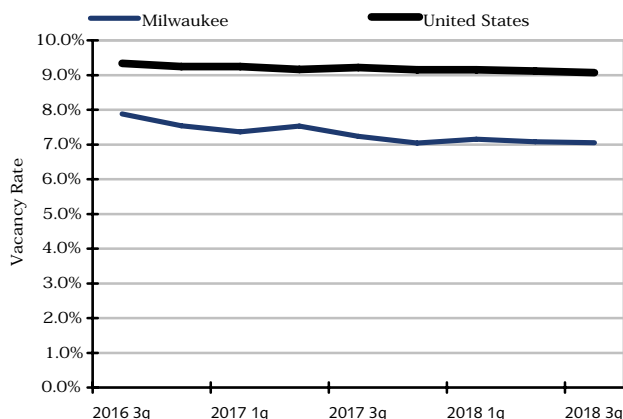
There were 755,537 square feet of office space under construction at the end of the third quarter 2018.

The only delivery in 2018 has been 733 E Capitol Drive, a 6,070-square-foot facility that delivered in first quarter 2018 and is now 100% occupied.

The largest projects underway at the end of third quarter 2018 were BMO Tower, a 380,817-square-foot building with 51% of its space pre-leased, and Drexel Town Square Health Center,

U.S. Vacancy Comparison

Past 9 Quarters



Source: CoStar Property®

Milwaukee Office Market



Overview

a 109,000-square-foot facility that is 100% pre-leased.

Inventory

Total office inventory in the Milwaukee market area amounted to 84,379,746 square feet in 3,912 buildings as of the end of the third quarter 2018. The Class-A office sector consisted of 18,190,673 square feet in 116 projects. There were 1,592 Class-B buildings totaling 48,722,946 square feet, and the Class-C sector consisted of 17,466,127 square feet in 2,204 buildings. Within the Office market there were 181 owner-occupied buildings accounting for 10,175,934 square feet of office space.

Sales Activity

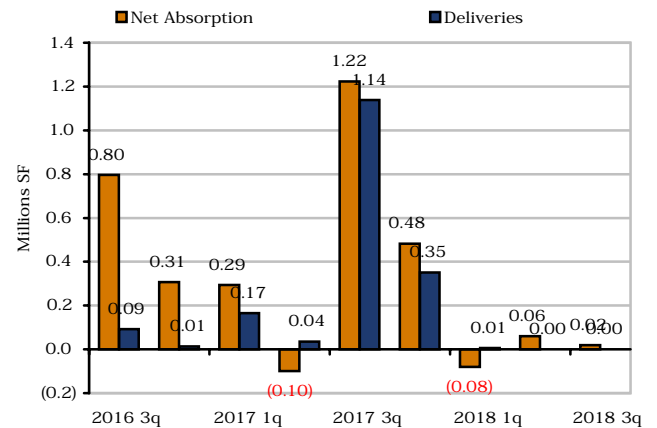
Tallying office building sales of 15,000 square feet or larger, Milwaukee office sales figures rose during the second quarter 2018 in terms of dollar volume compared to the first quarter of 2018.

In the second quarter, 12 office transactions closed with a total volume of \$89,490,100. The 12 buildings totaled 613,523 square feet and the average price per square foot equated to \$145.86 per square foot. That compares to 10 transactions totaling \$32,105,800 in the first quarter 2018. The total square footage in the first quarter was 514,479 square feet for an average price per square foot of \$62.40.

Total office building sales activity in 2018 was down compared to 2017. In the first six months of 2018, the market saw 22 office sales transactions with a total volume of \$121,595,900. The price per square foot averaged \$107.80. In the same first six months of 2017, the market posted 18 transactions with a total volume of \$273,725,100. The price per square foot aver-

Absorption & Deliveries

Past 9 Quarters



Source: CoStar Property®

aged \$149.48.

Cap rates have been lower in 2018, averaging 7.23% compared to the same period in 2017 when they averaged 8.67%.

One of the largest transactions that has occurred within the last four quarters in the Milwaukee market is the sale of Froedtert Health Menomonee Falls CI at W180N8000 Town Hall Road. This 145,000-square-foot office building sold for \$68,900,000, or \$475.17 per square foot. The property sold on 8/30/2018.

Report compiled by Conor Rector, CoStar Research Manager

CoStar Submarket Clusters & Submarkets

In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

Submarket Clusters	Submarkets			
Dodge County	Dodge East	Dodge West		
Downtown	Downtown East*	Downtown West*	Third Ward/Walkers Pt	
Fond du Lac County	Fond du Lac			
Milwaukee County	Mayfair/Wauwatosa Milwaukee SE West Allis	Milwaukee East Milwaukee West	Milwaukee Near SW North Shore	Milwaukee NW SW Outlying Milwaukee
Ozaukee County	North Ozaukee	SE Ozaukee/I-43 Corr	SW Ozaukee	
Racine County	Racine East	Racine West		
Sheboygan County	Outlying Sheboygan	Sheboygan		
Walworth County	Walworth East	Walworth West		
Washington County	North Washington	Washington East	Washington West	
Waukesha County	Brookfield/New Berlin North/Sussex	Central Waukesha SE/Muskego	NE/Delafield SW/Mukwonago	NE/Menomonee Falls

* Submarkets comprising the CBD. For statistics reference the CBD vs Suburban Figures at a Glance Page.

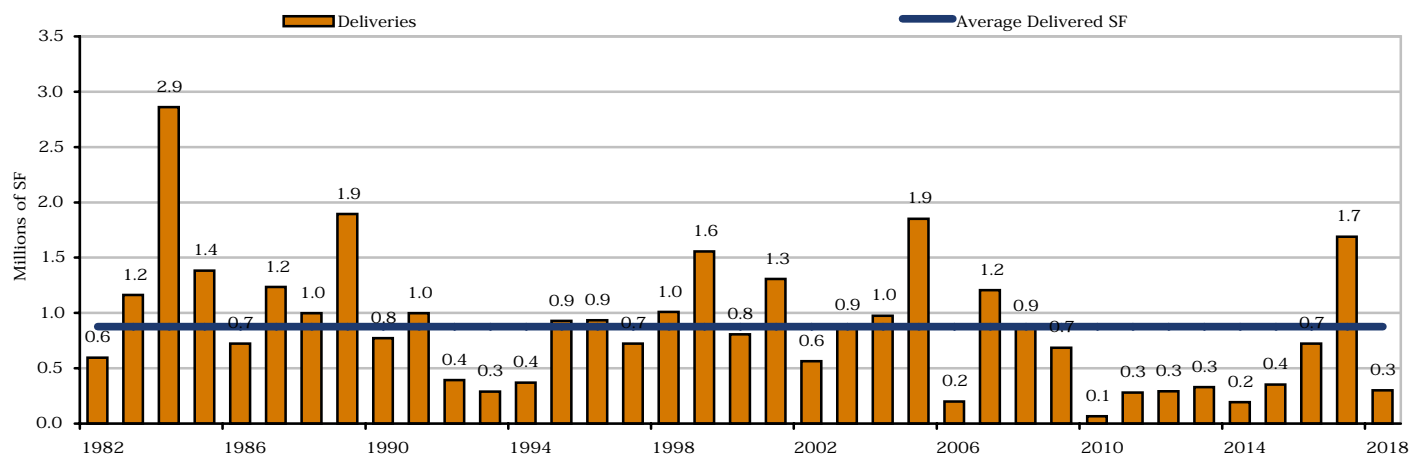
Milwaukee Office Market



Inventory & development

Historical Deliveries

1982 - 2018



Source: CoStar Property® * Future deliveries based on current under construction buildings.

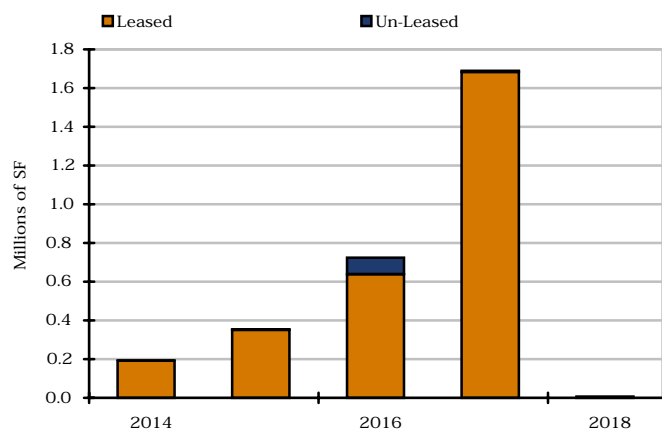
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Downtown	2	463,537	230,614	49.8%	86,695	231,768
Milwaukee County	2	139,000	139,000	100.0%	19,624	69,500
Racine County	1	85,000	85,000	100.0%	12,377	85,000
Waukesha County	2	68,000	68,000	100.0%	21,619	34,000
Fond du Lac County	0	0	0	0.0%	10,171	0
Ozaukee County	0	0	0	0.0%	10,247	0
Dodge County	0	0	0	0.0%	8,941	0
Sheboygan County	0	0	0	0.0%	14,579	0
Walworth County	0	0	0	0.0%	5,121	0
Washington County	0	0	0	0.0%	13,669	0
Totals	7	755,537	522,614	69.2%	21,569	107,934

Source: CoStar Property®

Recent Deliveries

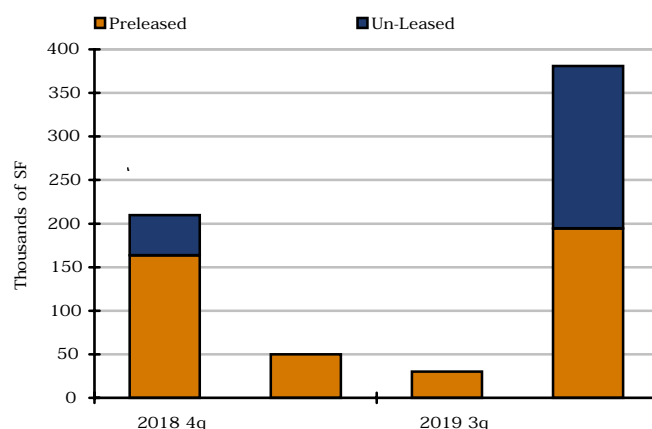
Leased & Un-Leased SF in Deliveries Since 2014



Source: CoStar Property®

Future Deliveries

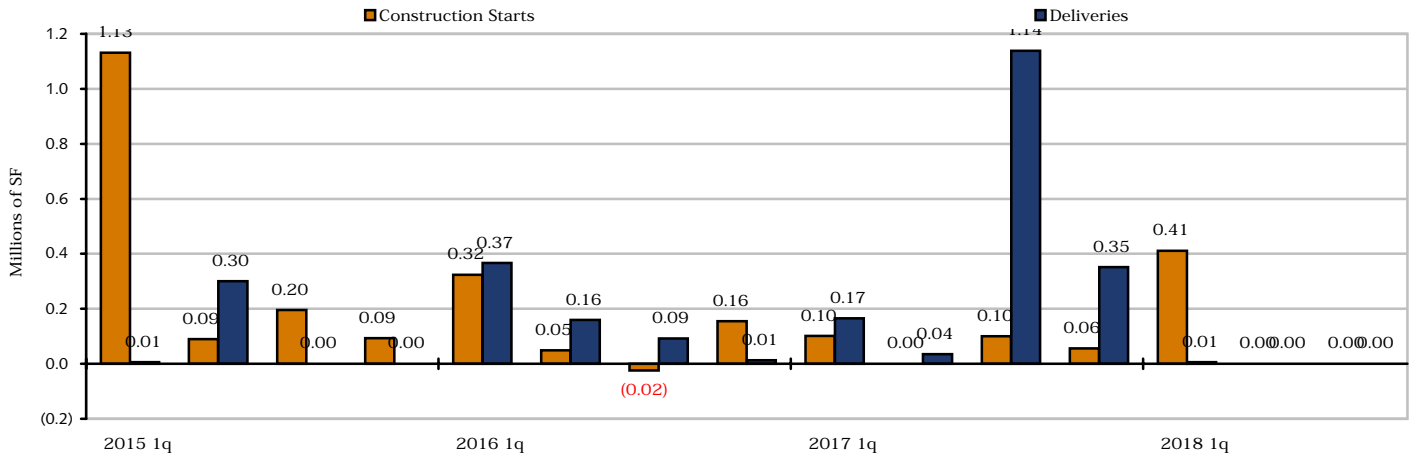
Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	1	6,070	6,070	100.0%	\$0.00	0	6,070
50,000 SF - 99,999 SF	0	0	0	0.0%	\$0.00	0	0
100,000 SF - 249,999 SF	0	0	0	0.0%	\$0.00	0	0
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

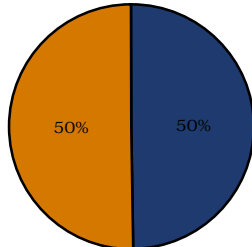
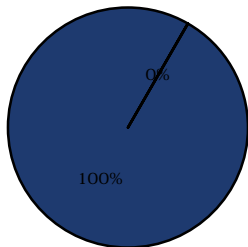
Source: CoStar Property®

Recent Development by Tenancy

Based on RBA Developed for Single & Multi Tenant Use

2018 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

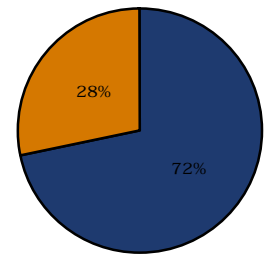
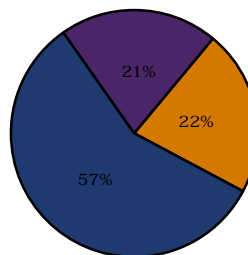
Source: CoStar Property®

Existing Inventory Comparison

Based on Total RBA

By Class

By Space Type



■ Class A ■ Class B ■ Class C

■ Multi ■ Single

Source: CoStar Property®

Milwaukee Office Market



Inventory & development

Select Year-to-Date Deliveries

Based on Project Square Footage

1. 733 E Capitol Dr

Submarket: **Milwaukee County**
 RBA: **6,070**
 # Floors: **1**
 Class: **B**
 Occupied: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Fourth Quarter 2017**
 Deliv Date: **First Quarter 2018**
 Leasing Co: **Unknown**
 Developer: **Jens Construction**
 Architect: **Jens Construction**

Select Top Under Construction Properties

Based on Project Square Footage

1. BMO Tower

Submarket: **Downtown**
 RBA: **380,817**
 # Floors: **25**
 Class: **A**
 Preleased: **51%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **First Quarter 2018**
 Deliv Date: **Fourth Quarter 2019**
 Leasing Co: **Colliers International**
 Developer: **Irgens Partners**
 Architect: **Kahler Slater Architects**

2. Drexel Town Square Health Center

Submarket: **Milwaukee County**
 RBA: **109,000**
 # Floors: **3**
 Class: **B**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Fourth Quarter 2016**
 Deliv Date: **Fourth Quarter 2018**
 Leasing Co: **Froedtert Health, Inc.**
 Developer: **HSA Primecare**
 Architect: **Eppstein Uhen Architects, Inc**

3. Park 94

Submarket: **Racine County**
 RBA: **85,000**
 # Floors: **2**
 Class: **B**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **First Quarter 2017**
 Deliv Date: **Third Quarter 2018**
 Leasing Co: **JLL**
 Developer: **HSA Commercial Real Estate**
 Architect: **Unknown**

4. 1400 N Water St

Submarket: **Downtown**
 RBA: **82,720**
 # Floors: **5**
 Class: **A**
 Preleased: **44%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Third Quarter 2017**
 Deliv Date: **Fourth Quarter 2018**
 Leasing Co: **JLL**
 Developer: **Hammes Company**
 Architect: **Eppstein Uhen Architects, Inc.**

5. ProHealth Clinic

Submarket: **Waukesha County**
 RBA: **50,000**
 # Floors: **1**
 Class: **B**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Fourth Quarter 2017**
 Deliv Date: **First Quarter 2019**
 Leasing Co: **Irgens Partners**
 Developer: **Irgens**
 Architect: **Unknown**

6. The Market @ Six Points - Build to suit

Submarket: **Milwaukee County**
 RBA: **30,000**
 # Floors: **1**
 Class: **A**
 Preleased: **100%**
 Quoted Rate: **\$18.00**
 Grnd Brk Date: **First Quarter 2018**
 Deliv Date: **Third Quarter 2019**
 Leasing Co: **Mandel Group**
 Developer: **Unknown**
 Architect: **Unknown**

7. 17500 W Capitol Dr - Lot 1

Submarket: **Waukesha County**
 RBA: **18,000**
 # Floors: **2**
 Class: **B**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Third Quarter 2017**
 Deliv Date: **Fourth Quarter 2018**
 Leasing Co: **Donald Tendick, Jr.**
 Developer: **Unknown**
 Architect: **Christopher Kidd & Associates, LLC**



Milwaukee Office Market

Figures at a Glance

Class A Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Dodge County	1	20,024	0	0	0.0%	0	0	0	\$0.00
Downtown	21	7,198,753	724,941	759,862	10.6%	129,259	0	463,537	\$22.54
Fond du Lac County	0	0	0	0	0.0%	0	0	0	\$0.00
Milwaukee County	31	5,237,124	284,634	439,212	8.4%	(119,242)	0	30,000	\$17.78
Ozaukee County	3	137,877	19,341	19,341	14.0%	0	0	0	\$17.40
Racine County	1	277,440	0	0	0.0%	0	0	0	\$0.00
Sheboygan County	3	216,702	13,104	13,104	6.0%	(132)	0	0	\$15.22
Walworth County	0	0	0	0	0.0%	0	0	0	\$0.00
Washington County	1	60,000	0	0	0.0%	0	0	0	\$0.00
Waukesha County	55	5,042,753	551,329	568,799	11.3%	(46,570)	0	0	\$16.33
Totals	116	18,190,673	1,593,349	1,800,318	9.9%	(36,685)	0	493,537	\$19.38

Source: CoStar Property®

Class B Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Dodge County	29	505,478	12,513	12,513	2.5%	(4,197)	0	0	\$13.46
Downtown	146	13,037,404	780,949	789,883	6.1%	(71,232)	0	0	\$17.21
Fond du Lac County	59	834,042	17,918	17,918	2.1%	22,251	0	0	\$10.64
Milwaukee County	519	15,572,325	1,290,181	1,332,129	8.6%	(20,640)	6,070	109,000	\$14.31
Ozaukee County	122	1,702,777	119,511	119,511	7.0%	(33,648)	0	0	\$14.34
Racine County	67	2,138,601	91,640	91,640	4.3%	(14,696)	0	85,000	\$12.71
Sheboygan County	96	2,104,470	13,104	13,104	0.6%	28,893	0	0	\$12.08
Walworth County	39	308,344	37,232	37,232	12.1%	(539)	0	0	\$11.67
Washington County	84	1,678,815	65,033	65,033	3.9%	12,283	0	0	\$14.45
Waukesha County	431	10,840,690	944,270	972,592	9.0%	(2,025)	0	68,000	\$15.51
Totals	1,592	48,722,946	3,372,351	3,451,555	7.1%	(83,550)	6,070	262,000	\$15.20

Source: CoStar Property®

Milwaukee Office Market



Figures at a Glance

Class C Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Dodge County	59	270,245	7,521	7,521	2.8%	32,455	0	0	\$6.61
Downtown	95	2,477,942	136,142	136,142	5.5%	(2,170)	0	0	\$15.44
Fond du Lac County	69	467,812	18,145	18,145	3.9%	5,134	0	0	\$12.09
Milwaukee County	869	7,036,320	229,784	229,784	3.3%	20,976	0	0	\$13.42
Ozaukee County	100	464,870	30,384	30,384	6.5%	(7,421)	0	0	\$12.55
Racine County	326	2,460,686	124,585	124,585	5.1%	80,378	0	0	\$11.59
Sheboygan County	99	565,542	15,285	15,285	2.7%	(12,585)	0	0	\$11.29
Walworth County	139	603,254	21,877	21,877	3.6%	(5,818)	0	0	\$12.80
Washington County	77	475,599	8,864	8,864	1.9%	5,629	0	0	\$12.16
Waukesha County	371	2,643,857	104,055	107,055	4.0%	2,803	0	0	\$11.56
Totals	2,204	17,466,127	696,642	699,642	4.0%	119,381	0	0	\$13.12

Source: CoStar Property®

Total Office Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Dodge County	89	795,747	20,034	20,034	2.5%	28,258	0	0	\$8.29
Downtown	262	22,714,099	1,642,032	1,685,887	7.4%	55,857	0	463,537	\$19.46
Fond du Lac County	128	1,301,854	36,063	36,063	2.8%	27,385	0	0	\$11.19
Milwaukee County	1,419	27,845,769	1,804,599	2,001,125	7.2%	(118,906)	6,070	139,000	\$14.83
Ozaukee County	225	2,305,524	169,236	169,236	7.3%	(41,069)	0	0	\$14.33
Racine County	394	4,876,727	216,225	216,225	4.4%	65,682	0	85,000	\$11.98
Sheboygan County	198	2,886,714	41,493	41,493	1.4%	16,176	0	0	\$12.64
Walworth County	178	911,598	59,109	59,109	6.5%	(6,357)	0	0	\$12.05
Washington County	162	2,214,414	73,897	73,897	3.3%	17,912	0	0	\$14.30
Waukesha County	857	18,527,300	1,599,654	1,648,446	8.9%	(45,792)	0	68,000	\$15.52
Totals	3,912	84,379,746	5,662,342	5,951,515	7.1%	(854)	6,070	755,537	\$16.18

Source: CoStar Property®



Milwaukee Office Market

Figures at a Glance

Class A Submarket Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Brookfield/New Berli.	24	1,655,348	179,526	184,430	11.1%	(8,874)	0	0	\$17.06
Central Waukesha	18	1,475,221	307,126	319,692	21.7%	(39,749)	0	0	\$16.05
Dodge East	1	20,024	0	0	0.0%	0	0	0	\$0.00
Dodge West	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown East	14	5,869,567	601,310	614,319	10.5%	126,095	0	463,537	\$24.64
Downtown West	5	1,176,945	123,631	123,631	10.5%	25,076	0	0	\$16.50
Fond du Lac	0	0	0	0	0.0%	0	0	0	\$0.00
Mayfair/Wauwatosa	14	2,139,156	91,517	106,645	5.0%	35,078	0	0	\$19.98
Milwaukee East	3	259,741	46,274	46,274	17.8%	(20,032)	0	0	\$17.70
Milwaukee Near SW	0	0	0	0	0.0%	0	0	0	\$0.00
Milwaukee NW	6	795,649	143,697	143,697	18.1%	(12,393)	0	0	\$16.90
Milwaukee SE	5	1,074,691	0	0	0.0%	0	0	0	\$0.00
Milwaukee West	0	0	0	0	0.0%	0	0	0	\$0.00
NE/Delafield	2	114,682	17,531	17,531	15.3%	2,053	0	0	\$0.00
NE/Menomonee Falls	10	1,741,488	47,146	47,146	2.7%	0	0	0	\$14.00
North Ozaukee	3	137,877	19,341	19,341	14.0%	0	0	0	\$17.40
North Shore	0	0	0	0	0.0%	0	0	0	\$0.00
North Washington	1	60,000	0	0	0.0%	0	0	0	\$0.00
North/Sussex	0	0	0	0	0.0%	0	0	0	\$0.00
Outlying Sheboygan	0	0	0	0	0.0%	0	0	0	\$0.00
Racine East	1	277,440	0	0	0.0%	0	0	0	\$0.00
Racine West	0	0	0	0	0.0%	0	0	0	\$0.00
SE Ozaukee/I-43 Corr	0	0	0	0	0.0%	0	0	0	\$0.00
SE/Muskego	1	56,014	0	0	0.0%	0	0	0	\$0.00
Sheboygan	3	216,702	13,104	13,104	6.0%	(132)	0	0	\$15.22
SW Outlying Milwauke.	0	0	0	0	0.0%	0	0	0	\$0.00
SW Ozaukee	0	0	0	0	0.0%	0	0	0	\$0.00
SW/Mukwonago	0	0	0	0	0.0%	0	0	0	\$0.00
Third Ward/Walkers P.	2	152,241	0	21,912	14.4%	(21,912)	0	0	\$23.50
Walworth East	0	0	0	0	0.0%	0	0	0	\$0.00
Walworth West	0	0	0	0	0.0%	0	0	0	\$0.00
Washington East	0	0	0	0	0.0%	0	0	0	\$0.00
Washington West	0	0	0	0	0.0%	0	0	0	\$0.00
West Allis	3	967,887	3,146	142,596	14.7%	(121,895)	0	30,000	\$18.00
Totals	116	18,190,673	1,593,349	1,800,318	9.9%	(36,685)	0	493,537	\$19.38

Source: CoStar Property®

Milwaukee Office Market



Figures at a Glance

Class B Submarket Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Brookfield/New Berli.	165	4,576,220	541,093	567,455	12.4%	(16,157)	0	68,000	\$16.17
Central Waukesha	140	3,921,378	325,732	327,692	8.4%	5,259	0	0	\$14.87
Dodge East	2	46,251	0	0	0.0%	0	0	0	\$0.00
Dodge West	27	459,227	12,513	12,513	2.7%	(4,197)	0	0	\$13.46
Downtown East	82	6,435,009	443,215	444,343	6.9%	46,162	0	0	\$15.57
Downtown West	31	4,644,233	233,192	240,998	5.2%	(114,741)	0	0	\$17.77
Fond du Lac	59	834,042	17,918	17,918	2.1%	22,251	0	0	\$10.64
Mayfair/Wauwatosa	88	3,076,894	278,795	309,675	10.1%	(50,255)	0	0	\$17.26
Milwaukee East	69	2,197,680	67,757	67,757	3.1%	11,968	6,070	0	\$16.26
Milwaukee Near SW	21	634,595	1,632	1,632	0.3%	(1,632)	0	0	\$14.25
Milwaukee NW	126	3,710,362	240,671	240,671	6.5%	6,567	0	0	\$10.67
Milwaukee SE	40	953,539	119,297	119,297	12.5%	(21,157)	0	109,000	\$12.78
Milwaukee West	37	1,330,922	12,100	12,100	0.9%	767	0	0	\$13.03
NE/Delafield	53	982,499	40,519	40,519	4.1%	(6,133)	0	0	\$15.31
NE/Menomonee Falls	38	776,320	20,137	20,137	2.6%	5,680	0	0	\$13.65
North Ozaukee	49	586,193	21,306	21,306	3.6%	(2,221)	0	0	\$14.39
North Shore	45	1,247,534	327,355	334,755	26.8%	(14,844)	0	0	\$16.30
North Washington	38	898,596	13,973	13,973	1.6%	2,195	0	0	\$14.33
North/Sussex	7	95,814	10,046	10,046	10.5%	(1,726)	0	0	\$17.22
Outlying Sheboygan	24	351,130	0	0	0.0%	5,688	0	0	\$11.04
Racine East	59	1,984,089	91,640	91,640	4.6%	(14,696)	0	85,000	\$12.71
Racine West	8	154,512	0	0	0.0%	0	0	0	\$0.00
SE Ozaukee/I-43 Corr	64	1,017,836	62,849	62,849	6.2%	629	0	0	\$14.48
SE/Muskego	16	370,127	2,443	2,443	0.7%	(1,483)	0	0	\$14.00
Sheboygan	72	1,753,340	13,104	13,104	0.7%	23,205	0	0	\$12.48
SW Outlying Milwaukee	50	840,304	85,495	89,163	10.6%	23,364	0	0	\$15.45
SW Ozaukee	9	98,748	35,356	35,356	35.8%	(32,056)	0	0	\$13.95
SW/Mukwonago	12	118,332	4,300	4,300	3.6%	12,535	0	0	\$10.35
Third Ward/Walkers P.	33	1,958,162	104,542	104,542	5.3%	(2,653)	0	0	\$20.06
Walworth East	27	209,503	24,201	24,201	11.6%	3,261	0	0	\$11.67
Walworth West	12	98,841	13,031	13,031	13.2%	(3,800)	0	0	\$0.00
Washington East	32	456,330	44,902	44,902	9.8%	5,008	0	0	\$14.60
Washington West	14	323,889	6,158	6,158	1.9%	5,080	0	0	\$0.00
West Allis	43	1,580,495	157,079	157,079	9.9%	24,582	0	0	\$14.15
Totals	1,592	48,722,946	3,372,351	3,451,555	7.1%	(83,550)	6,070	262,000	\$15.20

Source: CoStar Property®



Milwaukee Office Market

Figures at a Glance

Class C Submarket Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Brookfield/New Berli.	94	901,075	26,845	26,845	3.0%	10,050	0	0	\$14.41
Central Waukesha	133	927,776	53,766	53,766	5.8%	(10,519)	0	0	\$9.95
Dodge East	14	76,761	0	0	0.0%	0	0	0	\$0.00
Dodge West	45	193,484	7,521	7,521	3.9%	32,455	0	0	\$6.61
Downtown East	30	525,236	14,250	14,250	2.7%	1,162	0	0	\$18.30
Downtown West	20	751,733	27,000	27,000	3.6%	(2,000)	0	0	\$15.80
Fond du Lac	69	467,812	18,145	18,145	3.9%	5,134	0	0	\$12.09
Mayfair/Wauwatosa	78	562,492	23,580	23,580	4.2%	3,728	0	0	\$12.66
Milwaukee East	86	798,801	17,671	17,671	2.2%	7,469	0	0	\$12.38
Milwaukee Near SW	109	960,707	22,609	22,609	2.4%	6,962	0	0	\$10.32
Milwaukee NW	129	840,209	10,650	10,650	1.3%	4,156	0	0	\$11.15
Milwaukee SE	122	775,706	11,957	11,957	1.5%	(2,130)	0	0	\$13.04
Milwaukee West	111	1,302,210	44,296	44,296	3.4%	(12,962)	0	0	\$12.55
NE/Delafield	79	451,860	19,622	22,622	5.0%	(1,634)	0	0	\$12.33
NE/Menomonee Falls	18	97,697	3,072	3,072	3.1%	3,136	0	0	\$12.00
North Ozaukee	63	261,225	7,442	7,442	2.8%	260	0	0	\$10.67
North Shore	25	122,154	23,003	23,003	18.8%	(3,975)	0	0	\$14.22
North Washington	36	208,876	8,864	8,864	4.2%	5,629	0	0	\$12.16
North/Sussex	7	20,004	0	0	0.0%	1,200	0	0	\$12.00
Outlying Sheboygan	29	123,470	7,715	7,715	6.2%	(7,715)	0	0	\$11.39
Racine East	237	1,889,266	123,185	123,185	6.5%	73,760	0	0	\$11.43
Racine West	89	571,420	1,400	1,400	0.2%	6,618	0	0	\$13.75
SE Ozaukee/I-43 Corr	15	104,405	20,342	20,342	19.5%	(5,431)	0	0	\$13.00
SE/Muskego	17	119,108	0	0	0.0%	1,320	0	0	\$0.00
Sheboygan	70	442,072	7,570	7,570	1.7%	(4,870)	0	0	\$11.26
SW Outlying Milwauke.	85	562,546	35,434	35,434	6.3%	13,962	0	0	\$14.25
SW Ozaukee	22	99,240	2,600	2,600	2.6%	(2,250)	0	0	\$13.50
SW/Mukwonago	23	126,337	750	750	0.6%	(750)	0	0	\$18.13
Third Ward/Walkers P.	45	1,200,973	94,892	94,892	7.9%	(1,332)	0	0	\$15.17
Walworth East	60	294,585	17,842	17,842	6.1%	(4,767)	0	0	\$15.00
Walworth West	79	308,669	4,035	4,035	1.3%	(1,051)	0	0	\$10.33
Washington East	22	184,133	0	0	0.0%	0	0	0	\$0.00
Washington West	19	82,590	0	0	0.0%	0	0	0	\$0.00
West Allis	124	1,111,495	40,584	40,584	3.7%	3,766	0	0	\$14.74
Totals	2,204	17,466,127	696,642	699,642	4.0%	119,381	0	0	\$13.12

Source: CoStar Property®

Milwaukee Office Market



Figures at a Glance

Total Office Submarket Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Brookfield/New Berli.	283	7,132,643	747,464	778,730	10.9%	(14,981)	0	68,000	\$16.41
Central Waukesha	291	6,324,375	686,624	701,150	11.1%	(45,009)	0	0	\$14.94
Dodge East	17	143,036	0	0	0.0%	0	0	0	\$0.00
Dodge West	72	652,711	20,034	20,034	3.1%	28,258	0	0	\$8.29
Downtown East	126	12,829,812	1,058,775	1,072,912	8.4%	173,419	0	463,537	\$21.03
Downtown West	56	6,572,911	383,823	391,629	6.0%	(91,665)	0	0	\$17.14
Fond du Lac	128	1,301,854	36,063	36,063	2.8%	27,385	0	0	\$11.19
Mayfair/Wauwatosa	180	5,778,542	393,892	439,900	7.6%	(11,449)	0	0	\$17.65
Milwaukee East	158	3,256,222	131,702	131,702	4.0%	(595)	6,070	0	\$16.06
Milwaukee Near SW	130	1,595,302	24,241	24,241	1.5%	5,330	0	0	\$10.71
Milwaukee NW	261	5,346,220	395,018	395,018	7.4%	(1,670)	0	0	\$12.83
Milwaukee SE	167	2,803,936	131,254	131,254	4.7%	(23,287)	0	109,000	\$12.84
Milwaukee West	148	2,633,132	56,396	56,396	2.1%	(12,195)	0	0	\$12.78
NE/Delafield	134	1,549,041	77,672	80,672	5.2%	(5,714)	0	0	\$14.27
NE/Menomonee Falls	66	2,615,505	70,355	70,355	2.7%	8,816	0	0	\$13.84
North Ozaukee	115	985,295	48,089	48,089	4.9%	(1,961)	0	0	\$14.92
North Shore	70	1,369,688	350,358	357,758	26.1%	(18,819)	0	0	\$16.12
North Washington	75	1,167,472	22,837	22,837	2.0%	7,824	0	0	\$14.08
North/Sussex	14	115,818	10,046	10,046	8.7%	(526)	0	0	\$16.85
Outlying Sheboygan	53	474,600	7,715	7,715	1.6%	(2,027)	0	0	\$11.11
Racine East	297	4,150,795	214,825	214,825	5.2%	59,064	0	85,000	\$11.90
Racine West	97	725,932	1,400	1,400	0.2%	6,618	0	0	\$13.75
SE Ozaukee/I-43 Corr	79	1,122,241	83,191	83,191	7.4%	(4,802)	0	0	\$14.16
SE/Muskego	34	545,249	2,443	2,443	0.4%	(163)	0	0	\$14.00
Sheboygan	145	2,412,114	33,778	33,778	1.4%	18,203	0	0	\$13.04
SW Outlying Milwauke.	135	1,402,850	120,929	124,597	8.9%	37,326	0	0	\$14.91
SW Ozaukee	31	197,988	37,956	37,956	19.2%	(34,306)	0	0	\$13.92
SW/Mukwonago	35	244,669	5,050	5,050	2.1%	11,785	0	0	\$11.50
Third Ward/Walkers P.	80	3,311,376	199,434	221,346	6.7%	(25,897)	0	0	\$18.35
Walworth East	87	504,088	42,043	42,043	8.3%	(1,506)	0	0	\$12.38
Walworth West	91	407,510	17,066	17,066	4.2%	(4,851)	0	0	\$10.33
Washington East	54	640,463	44,902	44,902	7.0%	5,008	0	0	\$14.60
Washington West	33	406,479	6,158	6,158	1.5%	5,080	0	0	\$0.00
West Allis	170	3,659,877	200,809	340,259	9.3%	(93,547)	0	30,000	\$14.69
Totals	3,912	84,379,746	5,662,342	5,951,515	7.1%	(854)	6,070	755,537	\$16.18

Source: CoStar Property®



Milwaukee Office Market

Figures at a Glance

Class A Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	19	7,046,512	724,941	737,950	10.5%	151,171	0	463,537	\$22.52
Suburban	97	11,144,161	868,408	1,062,368	9.5%	(187,856)	0	30,000	\$17.02
Totals	116	18,190,673	1,593,349	1,800,318	9.9%	(36,685)	0	493,537	\$19.38

Source: CoStar Property®

Class B Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	113	11,079,242	676,407	685,341	6.2%	(68,579)	0	0	\$16.50
Suburban	1,479	37,643,704	2,695,944	2,766,214	7.3%	(14,971)	6,070	262,000	\$14.91
Totals	1,592	48,722,946	3,372,351	3,451,555	7.1%	(83,550)	6,070	262,000	\$15.20

Source: CoStar Property®

Class C Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	50	1,276,969	41,250	41,250	3.2%	(838)	0	0	\$16.29
Suburban	2,154	16,189,158	655,392	658,392	4.1%	120,219	0	0	\$12.94
Totals	2,204	17,466,127	696,642	699,642	4.0%	119,381	0	0	\$13.12

Source: CoStar Property®

Class A & B Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	132	18,125,754	1,401,348	1,423,291	7.9%	82,592	0	463,537	\$19.77
Suburban	1,576	48,787,865	3,564,352	3,828,582	7.8%	(202,827)	6,070	292,000	\$15.46
Totals	1,708	66,913,619	4,965,700	5,251,873	7.8%	(120,235)	6,070	755,537	\$16.59

Source: CoStar Property®

Total Office Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	182	19,402,723	1,442,598	1,464,541	7.5%	81,754	0	463,537	\$19.68
Suburban	3,730	64,977,023	4,219,744	4,486,974	6.9%	(82,608)	6,070	292,000	\$15.08
Totals	3,912	84,379,746	5,662,342	5,951,515	7.1%	(854)	6,070	755,537	\$16.18

Source: CoStar Property®

Milwaukee Office Market



Figures at a Glance

Class A Market Statistics

Third Quarter 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2018 3q	116	18,190,673	1,593,349	1,800,318	9.9%	(49,693)	0	0	3	493,537	\$19.38
2018 2q	116	18,190,673	1,525,895	1,750,625	9.6%	(12,554)	0	0	3	493,537	\$19.44
2018 1q	116	18,190,673	1,673,311	1,738,071	9.6%	25,562	0	0	3	493,537	\$19.78
2017 4q	116	18,190,673	1,711,767	1,763,633	9.7%	424,732	1	318,000	1	82,720	\$20.38
2017 3q	115	17,872,673	1,842,217	1,870,365	10.5%	1,037,802	1	1,100,000	2	400,720	\$20.51
2017 2q	114	16,772,673	1,772,592	1,808,167	10.8%	(111,319)	0	0	2	1,418,000	\$20.77
2017 1q	114	16,772,673	1,674,959	1,696,848	10.1%	228,824	2	160,000	2	1,418,000	\$20.10
2016	112	16,612,673	1,713,783	1,765,672	10.6%	384,929	4	598,940	4	1,578,000	\$20.13
2015	108	16,013,733	1,481,959	1,551,661	9.7%	107,880	1	300,200	6	1,798,940	\$19.82
2014	107	15,713,533	1,293,403	1,359,341	8.7%	430,753	2	130,001	2	658,217	\$19.72
2013	105	15,583,532	1,572,237	1,660,093	10.7%	42,359	3	214,782	2	130,001	\$21.60
2012	102	15,368,750	1,463,054	1,487,670	9.7%	174,045	1	145,000	3	214,782	\$21.52
2011	101	15,223,750	1,495,211	1,516,715	10.0%	94,678	2	142,303	1	145,000	\$20.80
2010	99	15,081,447	1,434,133	1,469,090	9.7%	(124,521)	0	0	2	142,303	\$20.58
2009	99	15,081,447	1,298,028	1,344,569	8.9%	129,771	2	214,514	0	0	\$20.33
2008	97	14,866,933	1,143,717	1,259,826	8.5%	252,228	2	189,800	1	158,500	\$17.46

Source: CoStar Property®

Class B Market Statistics

Third Quarter 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2018 3q	1,592	48,722,946	3,372,351	3,451,555	7.1%	52,914	0	0	4	262,000	\$15.20
2018 2q	1,592	48,722,946	3,450,120	3,504,469	7.2%	(42,184)	0	0	4	262,000	\$15.30
2018 1q	1,592	48,722,946	3,449,863	3,462,285	7.1%	(94,280)	1	6,070	4	262,000	\$15.21
2017 4q	1,591	48,716,876	3,349,513	3,361,935	6.9%	58,449	2	33,571	5	268,070	\$15.21
2017 3q	1,588	48,674,428	3,377,514	3,386,813	7.0%	256,773	2	37,800	5	245,571	\$15.08
2017 2q	1,587	48,719,169	3,681,188	3,688,327	7.6%	(34,330)	4	35,435	6	265,371	\$14.96
2017 1q	1,583	48,683,734	3,609,151	3,618,562	7.4%	72,266	1	5,200	10	300,806	\$15.05
2016	1,582	48,678,534	3,613,492	3,685,628	7.6%	957,625	5	32,176	8	204,606	\$15.14
2015	1,578	48,807,466	4,692,625	4,772,185	9.8%	28,273	0	0	7	111,744	\$15.29
2014	1,578	49,137,132	4,967,829	5,130,124	10.4%	(206,341)	1	57,079	3	42,229	\$14.83
2013	1,579	49,542,183	5,233,853	5,328,834	10.8%	(64,136)	6	115,112	1	57,079	\$14.97
2012	1,575	49,522,355	5,143,826	5,244,870	10.6%	449,643	3	138,295	3	37,565	\$15.17
2011	1,572	49,572,352	5,611,560	5,744,510	11.6%	(243,373)	5	66,175	5	146,137	\$15.53
2010	1,570	49,611,188	5,396,025	5,539,973	11.2%	(314,275)	4	50,471	3	93,509	\$15.60
2009	1,564	49,544,134	5,010,906	5,158,644	10.4%	379,896	8	372,261	2	28,312	\$15.42
2008	1,552	49,073,525	5,000,607	5,067,931	10.3%	263,310	13	575,217	11	413,725	\$15.12

Source: CoStar Property®

Total Office Market Statistics

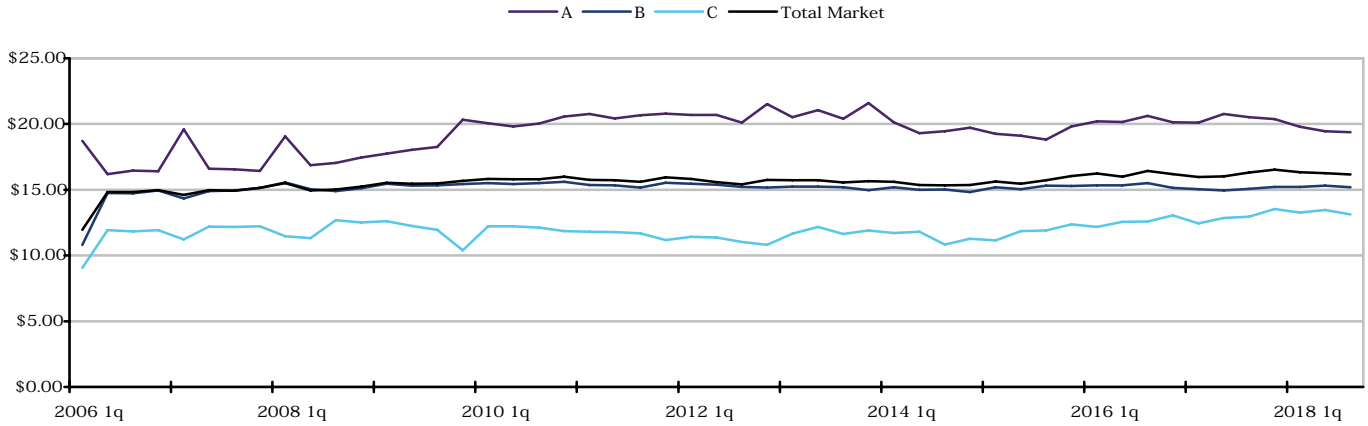
Third Quarter 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2018 3q	3,912	84,379,746	5,662,342	5,951,515	7.1%	19,562	0	0	7	755,537	\$16.18
2018 2q	3,912	84,379,746	5,688,998	5,971,077	7.1%	60,393	0	0	7	755,537	\$16.26
2018 1q	3,912	84,379,746	5,947,784	6,031,470	7.1%	(80,809)	1	6,070	7	755,537	\$16.34
2017 4q	3,911	84,373,676	5,873,799	5,944,591	7.0%	481,975	3	351,571	6	350,790	\$16.52
2017 3q	3,907	84,013,228	6,031,044	6,074,995	7.2%	1,223,242	3	1,137,800	7	646,291	\$16.30
2017 2q	3,906	82,960,424	6,199,007	6,245,433	7.5%	(99,791)	4	35,435	8	1,683,371	\$16.01
2017 1q	3,902	82,924,989	6,074,907	6,110,207	7.4%	293,535	3	165,200	12	1,718,806	\$15.96
2016	3,899	82,759,789	6,110,805	6,238,542	7.5%	1,828,097	9	631,116	12	1,782,606	\$16.18
2015	3,891	82,289,781	7,443,057	7,596,631	9.2%	274,298	2	305,725	13	1,910,684	\$16.04
2014	3,892	82,435,843	7,787,158	8,016,991	9.7%	309,710	3	187,080	6	705,971	\$15.36
2013	3,892	82,732,293	8,440,314	8,623,151	10.4%	(69,031)	9	329,894	3	187,080	\$15.66
2012	3,888	82,604,363	8,298,651	8,426,190	10.2%	768,634	4	283,295	6	252,347	\$15.75
2011	3,884	82,509,360	8,942,767	9,099,821	11.0%	(262,709)	7	208,478	6	291,137	\$15.95
2010	3,880	82,405,893	8,554,740	8,733,645	10.6%	(593,300)	4	50,471	5	235,812	\$15.98
2009	3,876	82,344,181	7,882,130	8,078,633	9.8%	466,275	10	586,775	2	28,312	\$15.67
2008	3,864	81,664,461	7,679,181	7,865,188	9.6%	492,133	16	769,917	12	572,225	\$15.23

Source: CoStar Property®

Historical Rental Rates

Based on Full-Service Equivalent Rental Rates



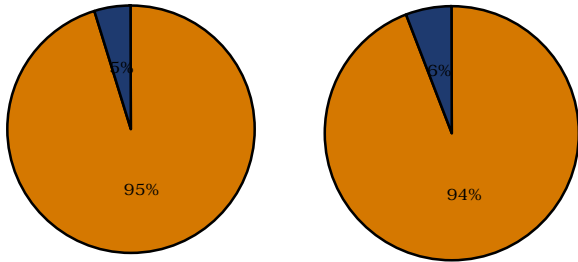
Source: CoStar Property®

Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Milwaukee

United States



Direct Sublet

Direct Sublet

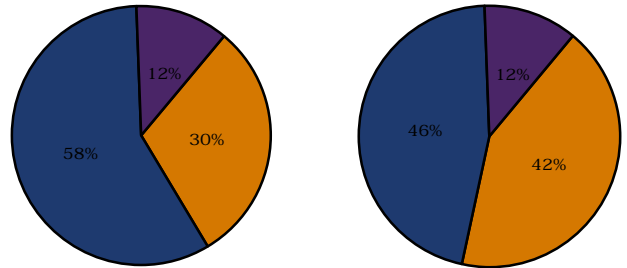
Source: CoStar Property®

Vacancy by Class

Percent of All Vacant Space by Class

Milwaukee

United States



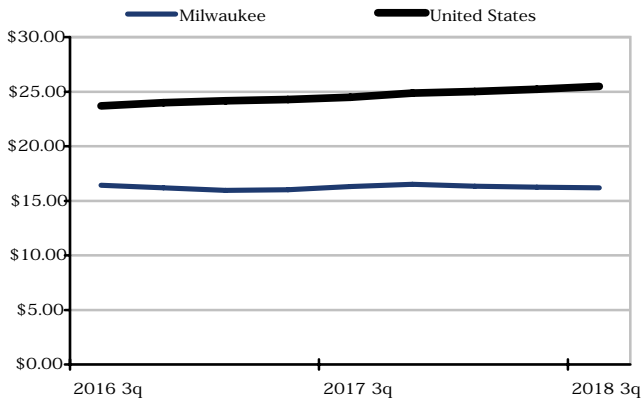
Class A Class B Class C

Class A Class B Class C

Source: CoStar Property®

U.S. Rental Rate Comparison

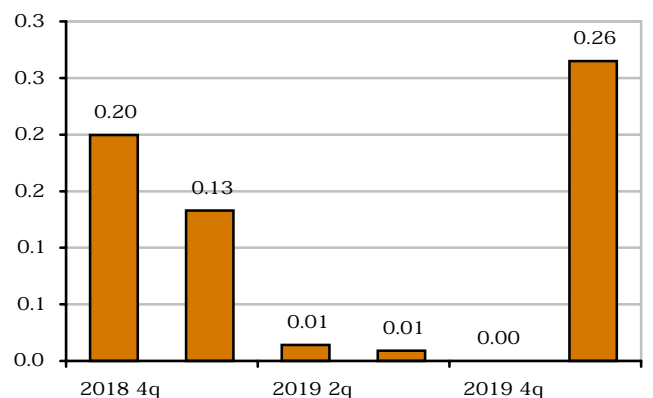
Based on Full-Service Equivalent Rental Rates



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*



* Includes Under Construction Spaces

Source: CoStar Property®

Milwaukee Office Market



Leasing Activity

Select Top Office Leases Based on Leased Square Footage For Deals Signed in 2018

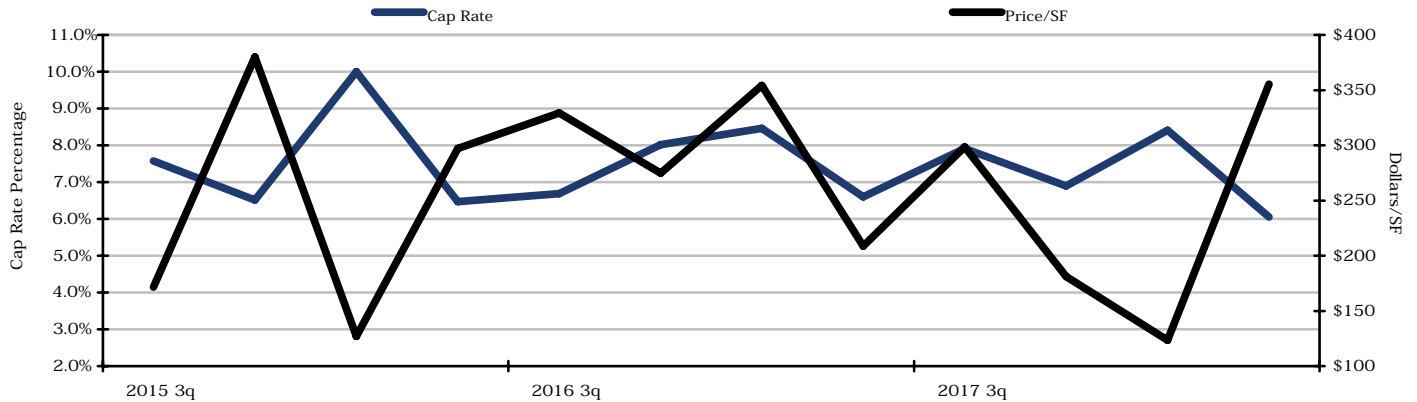
Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company
1 Park 94	Racine East	85,000	1st	Insinkerator	Unknown	N/A
2 Laacke & Joys Redevelopment	Downtown East	43,129	2nd	Spaces	JLL	Wangard Partners Inc.; CBRE
3 Meadowland Research and Technology	Mayfair/Wauwatosa	22,921	2nd	Extension, Inc	Unknown	N/A
4 731 N Jackson St	Downtown East	20,000	1st	Wintrust Commercial Banking at Town Bank	NAI MLG Commercial	N/A
5 833 East	Downtown East	18,767	2nd	Lubar	Unknown	Irgens Partners; Colliers
6 One Park Plaza	Milwaukee NW	16,000	1st	The Manitowoc Company, Inc.	Unknown	N/A
7 Crossroads I	Central Waukesha	15,152	1st	Baldwin Americas Corp	Colliers International	Founders 3
8 Liberty I	Milwaukee NW	14,910	2nd	Concentra	Unknown	N/A
9 648 N Plankinton Ave	Downtown West	14,789	1st	AIDS Resource Center of Wisconsin	Unknown	Irgens Partners
10 Summit Place	West Allis	14,491	1st	Lutheran Social Services of Wisconsin	Unknown	Summit City Realty, LLC
11 Meadowland Research and Technology	Mayfair/Wauwatosa	13,144	1st	Aleagus Technologies, LLC	Unknown	Irgens Partners
12 The River Center at Schlitz Park	Downtown West	10,752	2nd	HSA Bank/Webster Bank NA	JLL	Founders 3
13 The Atlas Building*	Third Ward/Walkers Pt	9,700	3rd	Core Creative Inc	Unknown	Founders 3
14 10930 W Potter Rd	Mayfair/Wauwatosa	9,120	2nd	ABA of Wisconsin, LLC	Unknown	Colliers International
15 Summit Place	West Allis	8,251	1st	Milwaukee County/Es Department of Admin	Unknown	Founders 3
16 Chancellory Park I	Brookfield/New Berlin	7,879	2nd	Bethesda Lutheran Communities	Unknown	JLL
17 9120 W Loomis Rd*	SW Outlying Milwaukee	6,915	3rd	Bubon & Associates Orthodontics	Colliers International	N/A
18 Florida Street Offices	Third Ward/Walkers Pt	6,544	1st	Remedy Analytics	Unknown	Transwestern
19 Chancellory Park I	Brookfield/New Berlin	6,532	2nd	Bethesda Lutheran Communities	Unknown	JLL
20 Summit Place	West Allis	6,294	2nd	Wisconsin Medical Society	Unknown	CBRE
21 Summit Place - Building 34	West Allis	6,069	2nd	BCT	The Barry Company	Summit City Realty, LLC
22 262 W Main St	NE/Delafield	5,500	1st	Iron Fireman	Direct Deal	Harris Development Group, LLC
23 3131 Taylor Ave - Building 5	Racine East	4,446	1st	Crown Jewel Academy	Unknown	Houses to Homes Real Estate
24 Sunset Plaza	Central Waukesha	4,350	1st	Layne Christensen Company	Unknown	Gerald Nell Inc.
25 Keghouse	Downtown West	4,306	3rd	The Difference Principle	Colliers International	N/A

Source: CoStar Property®

* Renewal

The Optimist Sales Index

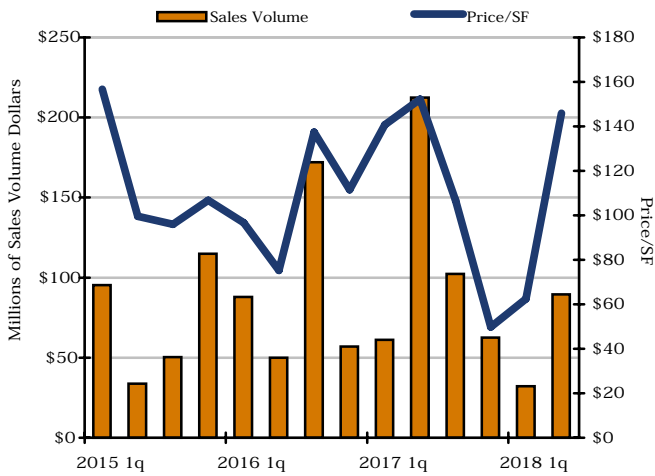
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

Sales Volume & Price

Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

Sales Analysis by Building Size

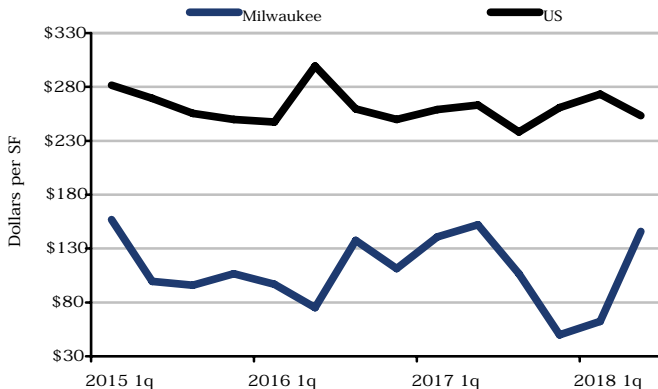
Based on Office Building Sales From July 2017 - June 2018

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 50,000 SF	35	753,364	\$89,987,800	\$ 119.45	8.23%
50K-249K SF	18	1,800,715	\$182,095,500	\$ 101.12	8.67%
250K-499K SF	1	280,511	\$7,100,000	\$ 25.31	-
>500K SF	1	578,000	\$19,500,000	\$ 33.74	-

Source: CoStar COMPS®

U.S. Price/SF Comparison

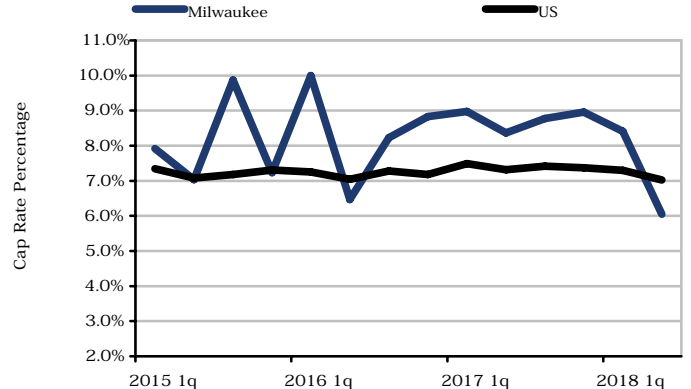
Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

U.S. Cap Rate Comparison

Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

Milwaukee Office Market



Sales Activity

Select Top Sales

Based on Sales from July 2017 Through September 2018

1. Froedtert Health Menomonee Falls Cl



Menomonee Falls

Price: **\$68,900,000**
 Price/SF: **\$475.17**
 Cap Rate: **N/A**
 RBA: **145,000**
 Date: **8/30/2018**
 Year Built: **2012**
 Buyer: **Harrison Street Capital**
 Seller: **Ryan Companies US Inc.**

2. BMO SKB- Executive Center Drive



Brookfield

Price: **\$40,300,000**
 Price/SF: **\$206.43**
 Cap Rate: **N/A**
 RBA: **195,221**
 Date: **7/27/2018**
 Year Built: **1986**
 Buyer: **SunTrust Robinson Humphrey, Inc.**
 Seller: **BMO Harris Bank NA**

3. Oconomowoc Physician Center



Oconomowoc

Price: **\$21,400,000**
 Price/SF: **\$249.76**
 Cap Rate: **N/A**
 RBA: **85,682**
 Date: **6/29/2018**
 Year Built: **N/A**
 Buyer: **Prohealth Care Medical Associates**
 Seller: **Irgens Partners**

4. Milwaukee Data Center



Hartland

Price: **\$21,000,000**
 Price/SF: **\$352.85**
 Cap Rate: **N/A**
 RBA: **59,516**
 Date: **6/11/2018**
 Year Built: **2004**
 Buyer: **Landmark Infrastructure Partners LP**
 Seller: **Carter Validus**

5. 310 W Wisconsin Ave



Milwaukee

Price: **\$19,500,000**
 Price/SF: **\$33.74**
 Cap Rate: **N/A**
 RBA: **578,000**
 Date: **12/29/2017**
 Year Built: **1984**
 Buyer: **Time Equities, Inc.**
 Seller: **RAIT Financial Trust**

6. 633 Building



Milwaukee

Price: **\$16,200,000**
 Price/SF: **\$70.18**
 Cap Rate: **10%**
 RBA: **230,825**
 Date: **12/21/2017**
 Year Built: **1964**
 Buyer: **J. Jeffers & Co., LLC**
 Seller: **Zilber Property Group**

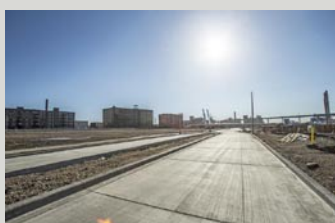
7. 611 E Wisconsin Ave



Milwaukee

Price: **\$14,950,000**
 Price/SF: **\$112.41**
 Cap Rate: **N/A**
 RBA: **133,000**
 Date: **6/15/2018**
 Year Built: **1964**
 Buyer: **Fewi Development Corporation**
 Seller: **Northwestern Mutual Real Estate Investments**

8. Zurn Industries HQ



Milwaukee

Price: **\$11,762,500**
 Price/SF: **\$226.20**
 Cap Rate: **N/A**
 RBA: **52,000**
 Date: **8/2/2017**
 Year Built: **2016**
 Buyer: **Rexnord Corporation**
 Seller: **C.D. Smith Construction, Inc.**

9. 500 W Brown Deer Rd



Bayside

Price: **\$4,000,000**
 Price/SF: **\$65.57**
 Cap Rate: **10%**
 RBA: **61,000**
 Date: **11/27/2017**
 Year Built: **1988**
 Buyer: **Mark Carstensen Developments LLC**
 Seller: **Adam R. Brostowicz**



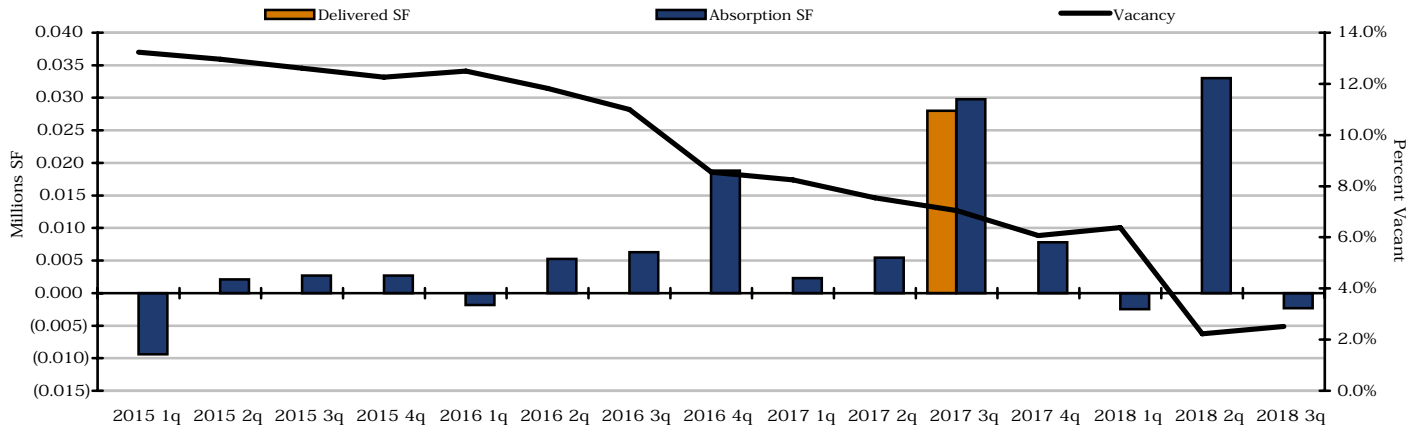
Milwaukee Office Market

Dodge County Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

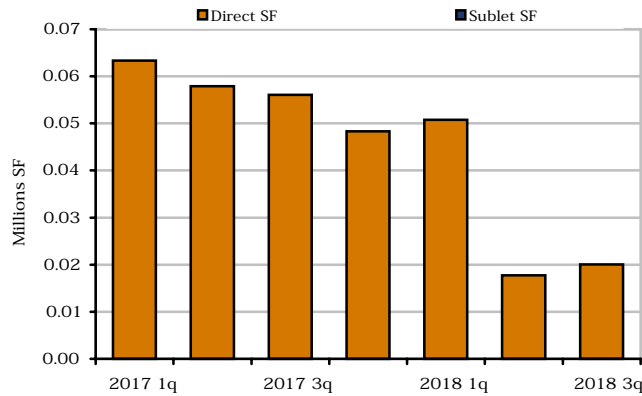
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

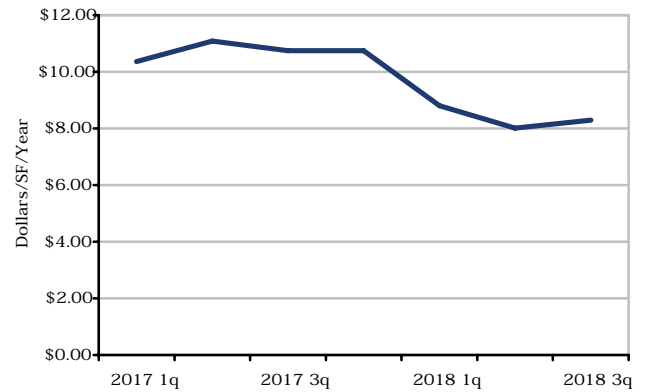
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	89	795,747	20,034	2.5%	(2,305)	0	0	0	0	\$8.29
2018 2q	89	795,747	17,729	2.2%	33,031	0	0	0	0	\$8.01
2018 1q	89	795,747	50,760	6.4%	(2,468)	0	0	0	0	\$8.81
2017 4q	89	795,747	48,292	6.1%	7,800	0	0	0	0	\$10.75
2017 3q	89	795,747	56,092	7.0%	29,800	1	28,000	0	0	\$10.75
2017 2q	88	767,747	57,892	7.5%	5,448	0	0	1	28,000	\$11.08
2017 1q	88	767,747	63,340	8.3%	2,310	0	0	1	28,000	\$10.36
2016 4q	88	767,747	65,650	8.6%	18,797	0	0	1	28,000	\$11.54
2016 3q	88	767,747	84,447	11.0%	6,299	0	0	1	28,000	\$11.96
2016 2q	88	767,747	90,746	11.8%	5,228	0	0	0	0	\$12.26
2016 1q	88	767,747	95,974	12.5%	(1,807)	0	0	0	0	\$11.62
2015 4q	88	767,747	94,167	12.3%	2,671	0	0	0	0	\$12.16
2015 3q	88	767,747	96,838	12.6%	2,678	0	0	0	0	\$12.16
2015 2q	88	767,747	99,516	13.0%	2,120	0	0	0	0	\$12.60
2015 1q	88	767,747	101,636	13.2%	(9,408)	0	0	0	0	\$11.61
2014 4q	88	767,747	92,228	12.0%	12,648	0	0	0	0	\$11.88

Source: CoStar Property®

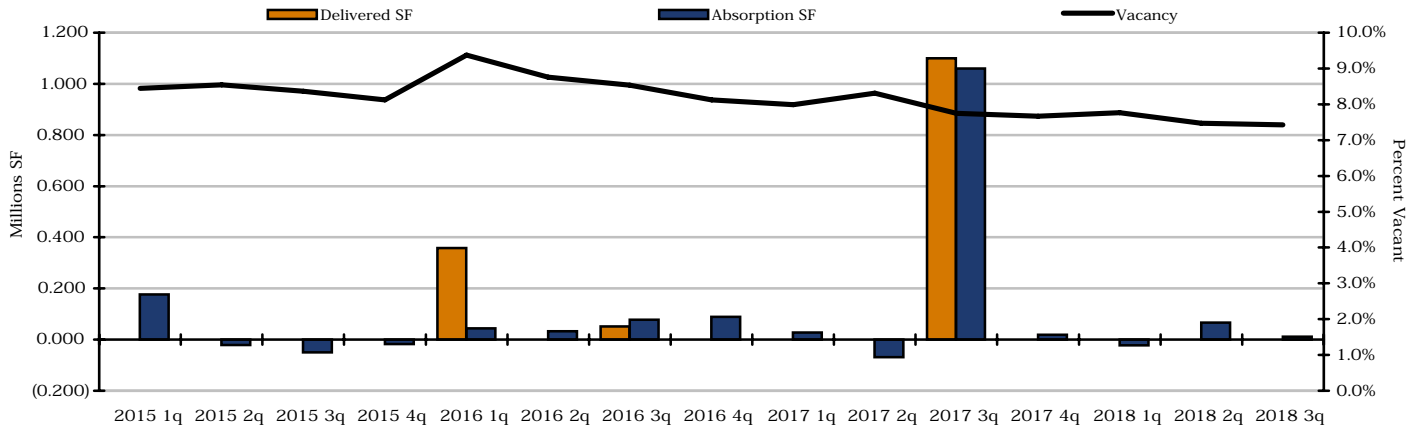
Milwaukee Office Market



Downtown Market Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

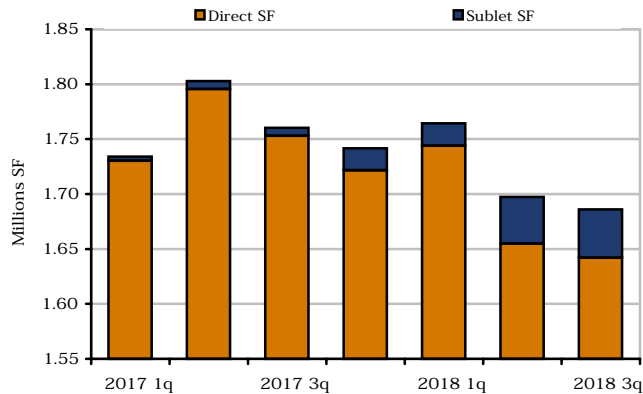
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

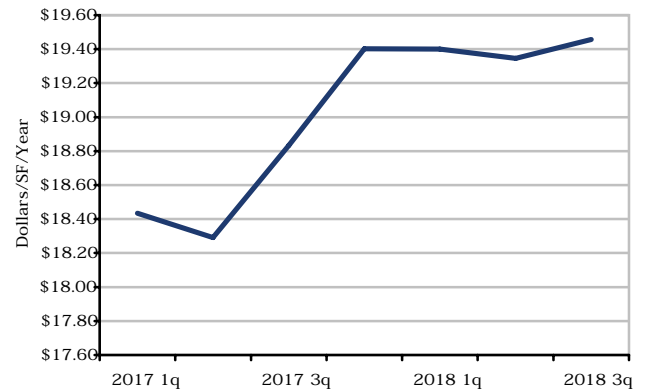
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	262	22,714,099	1,685,887	7.4%	11,577	0	0	2	463,537	\$19.46
2018 2q	262	22,714,099	1,697,464	7.5%	66,825	0	0	2	463,537	\$19.35
2018 1q	262	22,714,099	1,764,289	7.8%	(22,545)	0	0	2	463,537	\$19.40
2017 4q	262	22,714,099	1,741,744	7.7%	18,616	0	0	1	82,720	\$19.40
2017 3q	262	22,714,099	1,760,360	7.8%	1,059,829	1	1,100,000	1	82,720	\$18.83
2017 2q	262	21,696,640	1,802,730	8.3%	(68,756)	0	0	1	1,100,000	\$18.29
2017 1q	262	21,696,640	1,733,974	8.0%	27,548	0	0	1	1,100,000	\$18.43
2016 4q	262	21,696,640	1,761,522	8.1%	89,249	0	0	1	1,100,000	\$18.87
2016 3q	262	21,696,640	1,850,771	8.5%	78,136	1	52,000	1	1,100,000	\$19.06
2016 2q	262	21,666,182	1,898,449	8.8%	32,599	0	0	2	1,152,000	\$17.85
2016 1q	264	21,776,182	2,041,048	9.4%	44,549	1	358,017	2	1,152,000	\$18.21
2015 4q	264	21,432,215	1,741,630	8.1%	(17,547)	0	0	3	1,510,017	\$18.58
2015 3q	265	21,507,035	1,798,903	8.4%	(49,691)	0	0	2	1,458,017	\$17.63
2015 2q	266	21,602,869	1,845,046	8.5%	(20,543)	0	0	2	1,458,017	\$16.98
2015 1q	266	21,602,869	1,824,503	8.4%	176,670	0	0	2	1,458,017	\$17.14
2014 4q	268	21,881,003	2,279,307	10.4%	(83,791)	0	0	1	358,017	\$17.79

Source: CoStar Property®



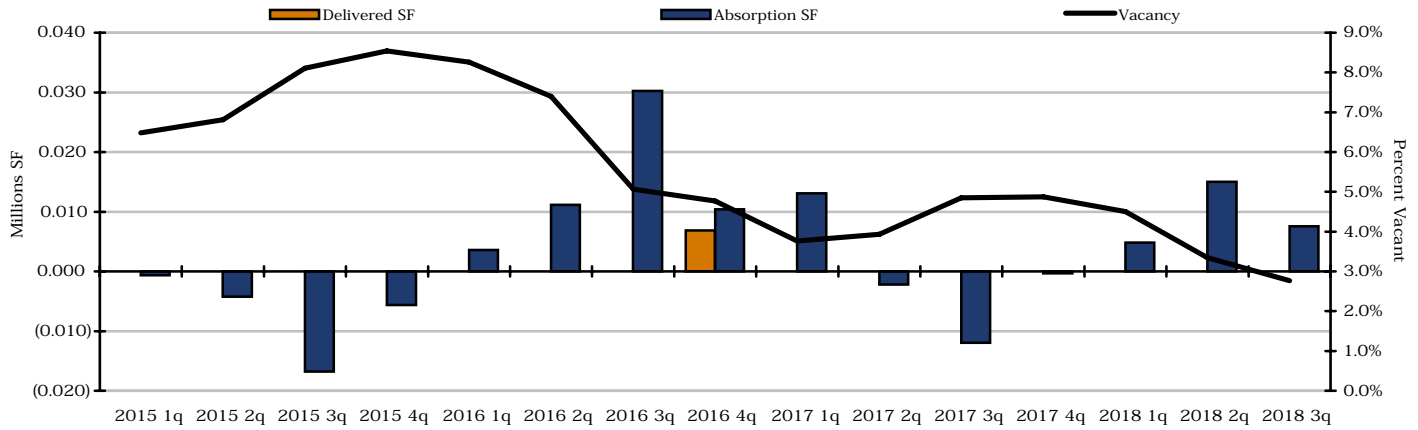
Milwaukee Office Market

Fond du Lac County Market

Market Highlights - Class "A, B & C"

Deliveries, Absorption & Vacancy

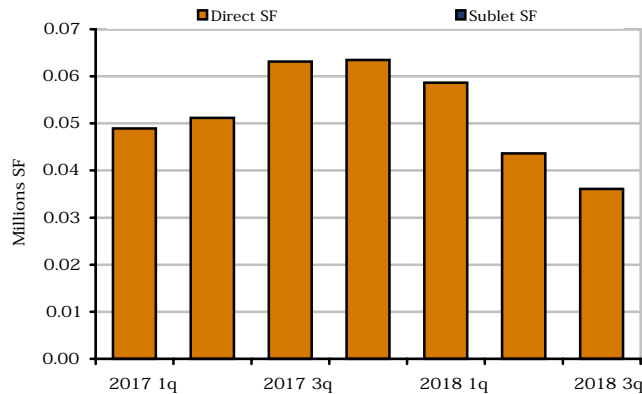
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

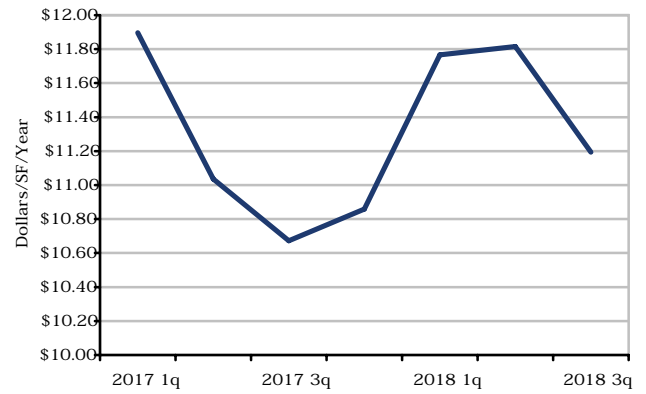
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	128	1,301,854	36,063	2.8%	7,538	0	0	0	0	\$11.19
2018 2q	128	1,301,854	43,601	3.3%	15,026	0	0	0	0	\$11.82
2018 1q	128	1,301,854	58,627	4.5%	4,821	0	0	0	0	\$11.77
2017 4q	128	1,301,854	63,448	4.9%	(310)	0	0	0	0	\$10.86
2017 3q	128	1,301,854	63,138	4.8%	(11,983)	0	0	0	0	\$10.67
2017 2q	128	1,301,854	51,155	3.9%	(2,204)	0	0	0	0	\$11.04
2017 1q	128	1,301,854	48,951	3.8%	13,096	0	0	0	0	\$11.90
2016 4q	128	1,301,854	62,047	4.8%	10,422	1	6,876	0	0	\$11.76
2016 3q	127	1,294,978	65,593	5.1%	30,250	0	0	1	6,876	\$11.37
2016 2q	127	1,294,978	95,843	7.4%	11,171	0	0	1	6,876	\$11.49
2016 1q	127	1,294,978	107,014	8.3%	3,600	0	0	0	0	\$11.97
2015 4q	127	1,294,978	110,614	8.5%	(5,620)	0	0	0	0	\$10.97
2015 3q	127	1,294,978	104,994	8.1%	(16,800)	0	0	0	0	\$10.72
2015 2q	127	1,294,978	88,194	6.8%	(4,246)	0	0	0	0	\$10.68
2015 1q	127	1,294,978	83,948	6.5%	(665)	0	0	0	0	\$11.35
2014 4q	127	1,294,978	83,283	6.4%	6,110	0	0	0	0	\$10.88

Source: CoStar Property®

Milwaukee Office Market

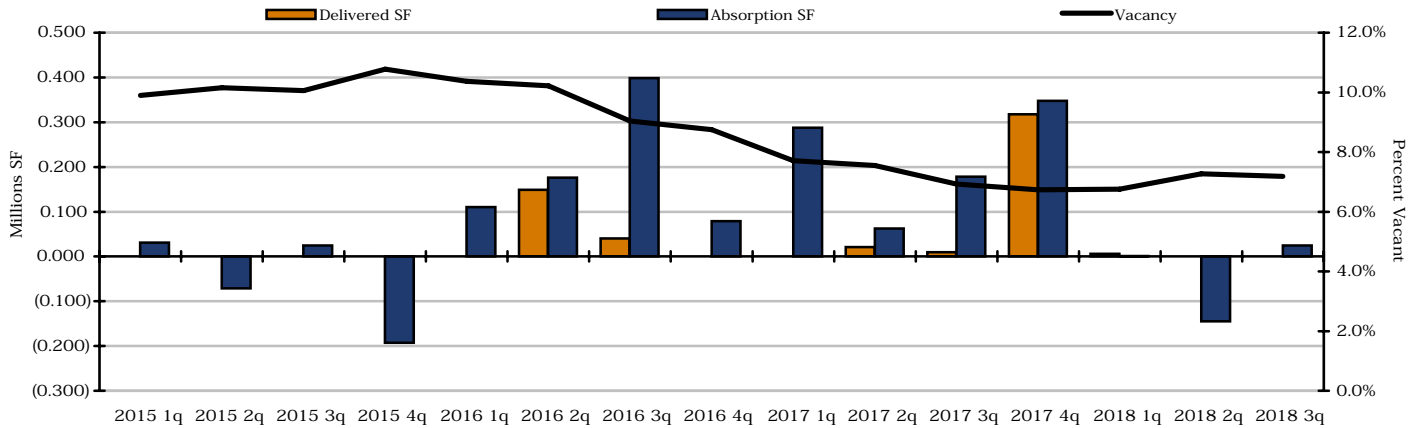


Milwaukee County Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

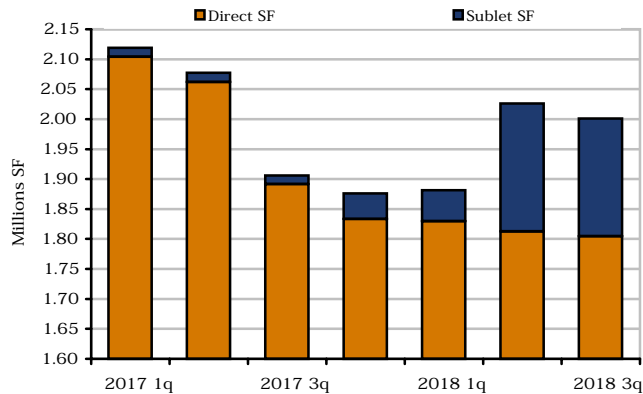
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

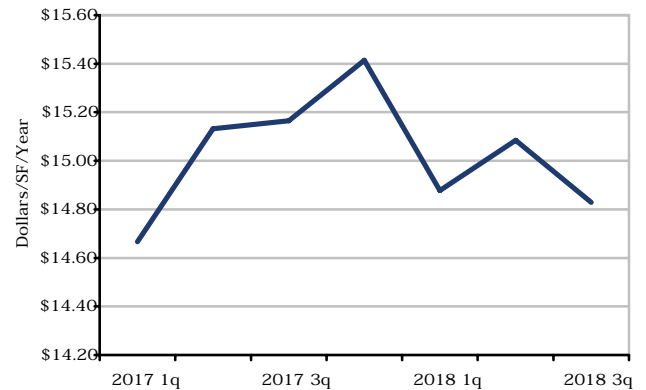
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	1,419	27,845,769	2,001,125	7.2%	24,897	0	0	2	139,000	\$14.83
2018 2q	1,419	27,845,769	2,026,022	7.3%	(144,739)	0	0	2	139,000	\$15.08
2018 1q	1,419	27,845,769	1,881,283	6.8%	936	1	6,070	2	139,000	\$14.88
2017 4q	1,418	27,839,699	1,876,149	6.7%	348,064	1	318,000	2	115,070	\$15.41
2017 3q	1,417	27,521,699	1,906,213	6.9%	178,246	1	9,800	2	427,000	\$15.16
2017 2q	1,417	27,514,354	2,077,114	7.5%	62,720	1	21,000	3	436,800	\$15.13
2017 1q	1,416	27,493,354	2,118,834	7.7%	287,835	0	0	4	457,800	\$14.67
2016 4q	1,416	27,493,354	2,406,669	8.8%	78,661	0	0	4	457,800	\$14.82
2016 3q	1,416	27,493,354	2,485,330	9.0%	398,511	1	40,000	1	318,000	\$15.37
2016 2q	1,414	27,409,354	2,799,841	10.2%	175,858	1	148,923	3	402,000	\$15.37
2016 1q	1,413	27,260,431	2,826,776	10.4%	110,471	0	0	4	550,923	\$15.42
2015 4q	1,413	27,260,431	2,937,247	10.8%	(192,816)	0	0	3	232,923	\$15.08
2015 3q	1,413	27,258,326	2,742,326	10.1%	24,223	0	0	3	194,548	\$14.92
2015 2q	1,413	27,260,171	2,768,394	10.2%	(71,463)	0	0	2	22,281	\$14.91
2015 1q	1,413	27,260,171	2,696,931	9.9%	31,284	0	0	2	22,281	\$15.20
2014 4q	1,413	27,260,171	2,728,215	10.0%	151,255	0	0	1	16,656	\$14.73

Source: CoStar Property®



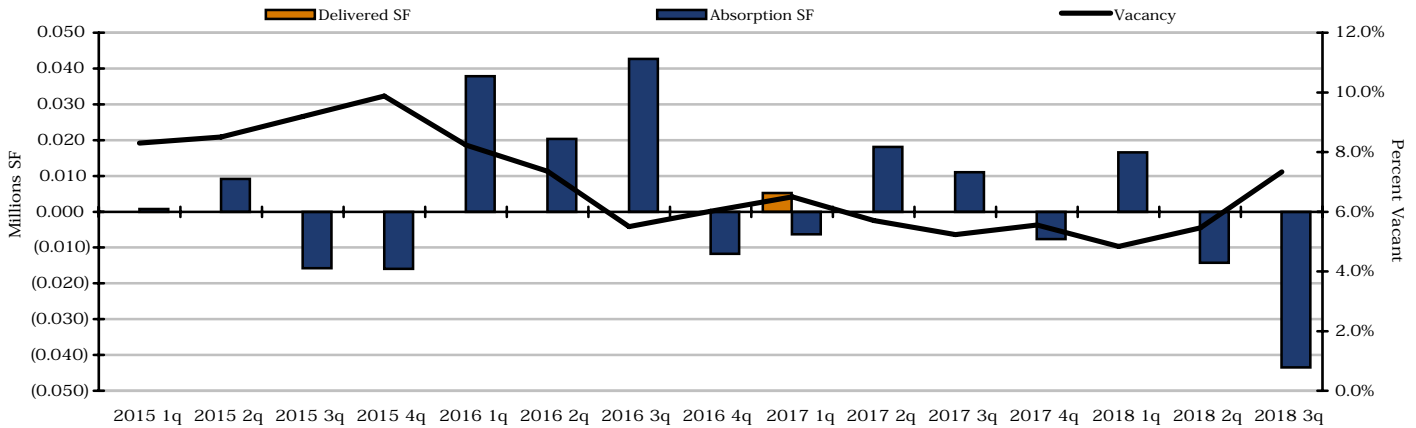
Milwaukee Office Market

Ozaukee County Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

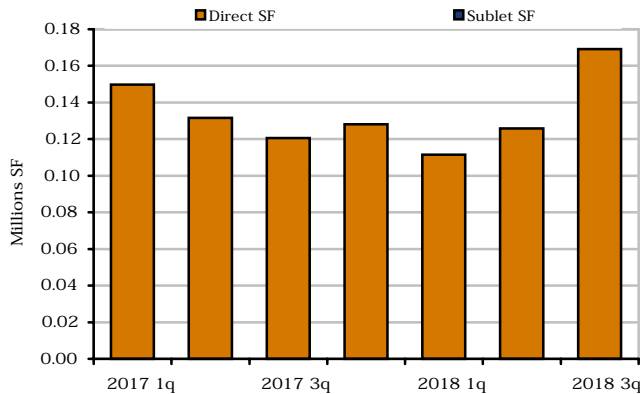
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

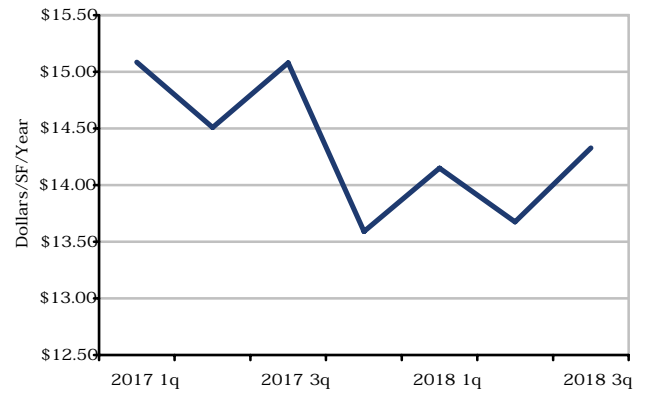
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	225	2,305,524	169,236	7.3%	(43,435)	0	0	0	0	\$14.33
2018 2q	225	2,305,524	125,801	5.5%	(14,237)	0	0	0	0	\$13.68
2018 1q	225	2,305,524	111,564	4.8%	16,603	0	0	0	0	\$14.15
2017 4q	225	2,305,524	128,167	5.6%	(7,611)	0	0	0	0	\$13.59
2017 3q	225	2,305,524	120,556	5.2%	11,052	0	0	0	0	\$15.08
2017 2q	225	2,305,524	131,608	5.7%	18,136	0	0	0	0	\$14.51
2017 1q	225	2,305,524	149,744	6.5%	(6,274)	1	5,200	0	0	\$15.08
2016 4q	224	2,300,324	138,270	6.0%	(11,768)	0	0	1	5,200	\$15.09
2016 3q	224	2,300,324	126,502	5.5%	42,667	0	0	1	5,200	\$15.39
2016 2q	224	2,300,324	169,169	7.4%	20,332	0	0	1	5,200	\$14.68
2016 1q	224	2,300,324	189,501	8.2%	37,806	0	0	0	0	\$14.42
2015 4q	224	2,300,324	227,307	9.9%	(15,969)	0	0	0	0	\$14.21
2015 3q	224	2,300,324	211,338	9.2%	(15,787)	0	0	0	0	\$15.14
2015 2q	224	2,300,324	195,551	8.5%	9,147	0	0	0	0	\$14.74
2015 1q	223	2,285,324	189,698	8.3%	726	0	0	1	15,000	\$14.54
2014 4q	223	2,285,324	190,424	8.3%	22,478	0	0	1	15,000	\$14.53

Source: CoStar Property®

Milwaukee Office Market

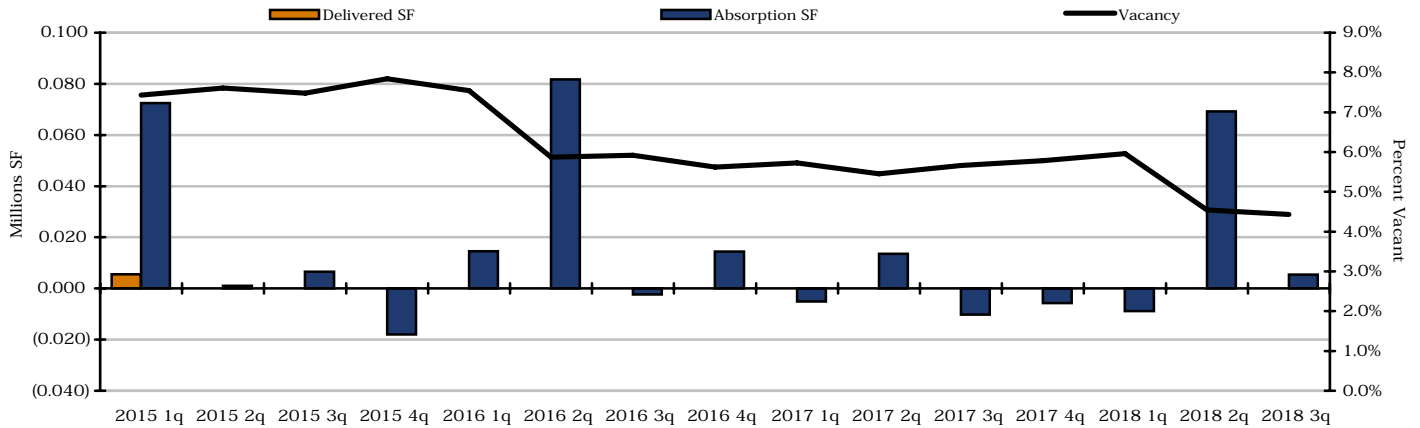


Racine County Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

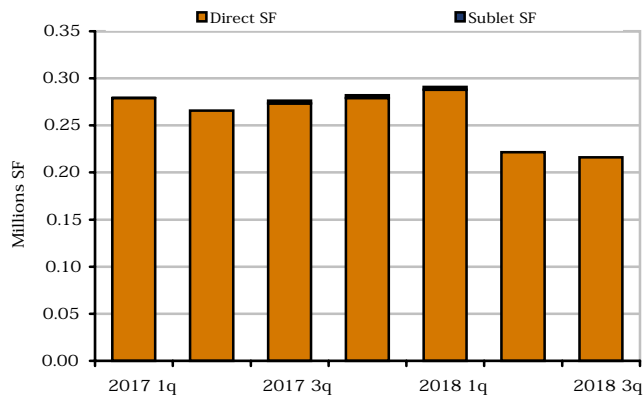
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

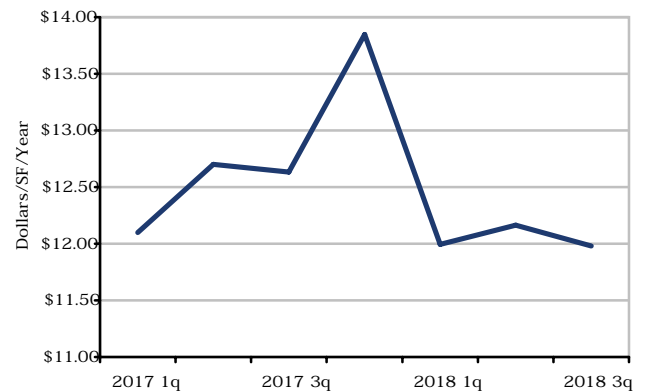
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	394	4,876,727	216,225	4.4%	5,374	0	0	1	85,000	\$11.98
2018 2q	394	4,876,727	221,599	4.5%	69,167	0	0	1	85,000	\$12.16
2018 1q	394	4,876,727	290,766	6.0%	(8,859)	0	0	1	85,000	\$11.99
2017 4q	394	4,876,727	281,907	5.8%	(5,756)	0	0	1	85,000	\$13.85
2017 3q	394	4,876,727	276,151	5.7%	(10,264)	0	0	1	85,000	\$12.63
2017 2q	394	4,876,727	265,887	5.5%	13,489	0	0	1	85,000	\$12.70
2017 1q	394	4,876,727	279,376	5.7%	(5,056)	0	0	1	85,000	\$12.10
2016 4q	394	4,876,727	274,320	5.6%	14,396	0	0	0	0	\$14.19
2016 3q	394	4,876,727	288,716	5.9%	(2,321)	0	0	0	0	\$11.73
2016 2q	394	4,876,727	286,395	5.9%	81,712	0	0	0	0	\$10.84
2016 1q	394	4,876,727	368,107	7.5%	14,503	0	0	0	0	\$11.87
2015 4q	394	4,876,727	382,610	7.8%	(17,985)	0	0	0	0	\$12.19
2015 3q	394	4,876,727	364,625	7.5%	6,546	0	0	0	0	\$11.48
2015 2q	394	4,876,727	371,171	7.6%	980	0	0	0	0	\$10.01
2015 1q	393	4,866,154	361,578	7.4%	72,509	1	5,525	1	10,573	\$10.94
2014 4q	392	4,860,629	428,562	8.8%	38,298	1	57,079	2	16,098	\$10.54

Source: CoStar Property®



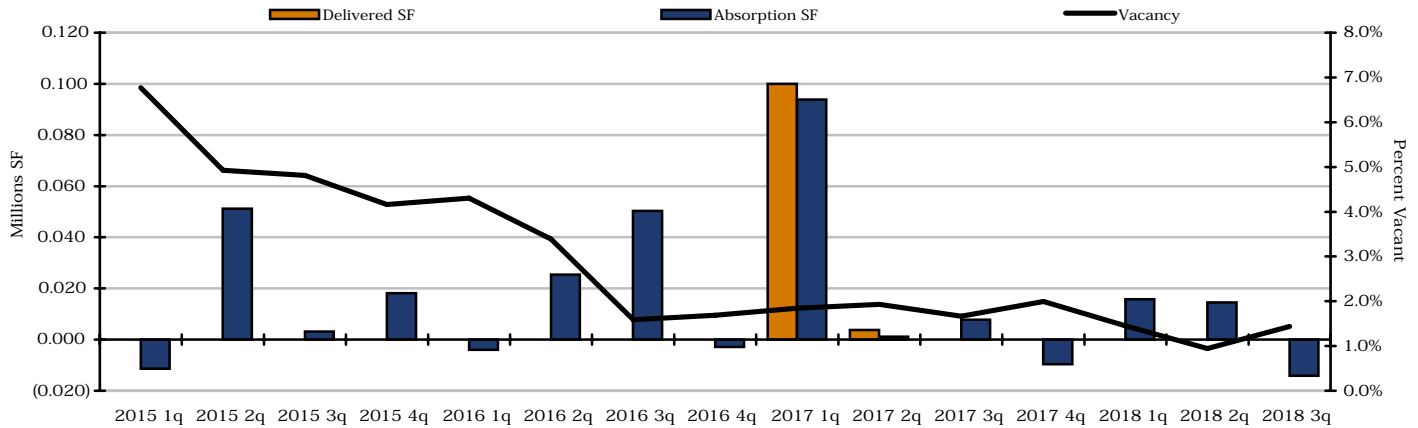
Milwaukee Office Market

Sheboygan County Market

Market Highlights - Class "A, B & C"

Deliveries, Absorption & Vacancy

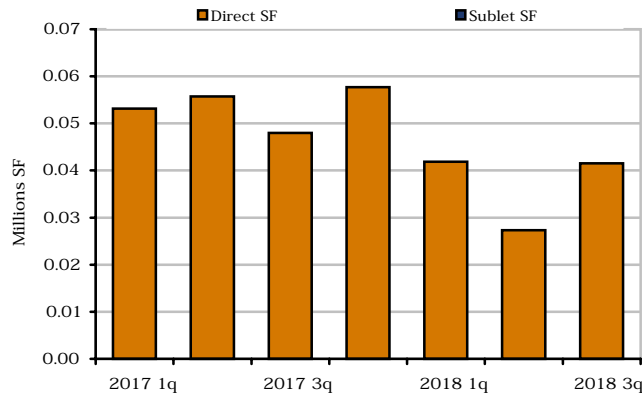
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

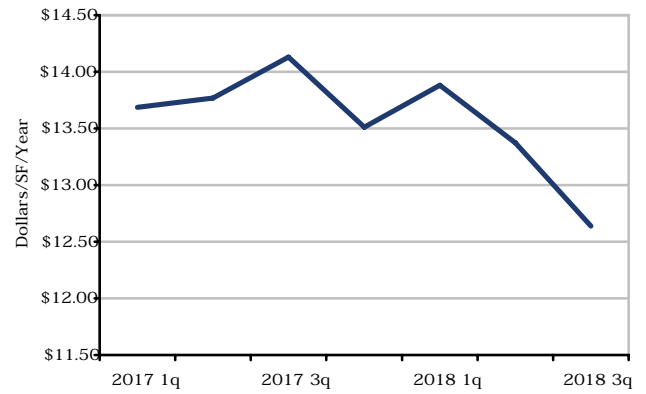
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	198	2,886,714	41,493	1.4%	(14,166)	0	0	0	0	\$12.64
2018 2q	198	2,886,714	27,327	0.9%	14,562	0	0	0	0	\$13.37
2018 1q	198	2,886,714	41,889	1.5%	15,780	0	0	0	0	\$13.88
2017 4q	198	2,886,714	57,669	2.0%	(9,665)	0	0	0	0	\$13.51
2017 3q	198	2,886,714	48,004	1.7%	7,735	0	0	0	0	\$14.13
2017 2q	198	2,886,714	55,739	1.9%	1,147	1	3,722	0	0	\$13.77
2017 1q	197	2,882,992	53,164	1.8%	93,809	1	100,000	1	3,722	\$13.69
2016 4q	196	2,782,992	46,973	1.7%	(2,887)	0	0	2	103,722	\$14.48
2016 3q	196	2,782,992	44,086	1.6%	50,272	0	0	1	100,000	\$14.46
2016 2q	196	2,782,992	94,358	3.4%	25,418	0	0	1	100,000	\$14.40
2016 1q	196	2,782,992	119,776	4.3%	(3,990)	0	0	1	100,000	\$14.47
2015 4q	196	2,782,992	115,786	4.2%	18,150	0	0	1	100,000	\$15.60
2015 3q	196	2,782,992	133,936	4.8%	3,160	0	0	1	100,000	\$12.75
2015 2q	196	2,782,992	137,096	4.9%	51,233	0	0	1	100,000	\$12.67
2015 1q	196	2,782,992	188,329	6.8%	(11,362)	0	0	0	0	\$11.69
2014 4q	196	2,782,992	176,967	6.4%	3,127	0	0	0	0	\$13.30

Source: CoStar Property®

Milwaukee Office Market

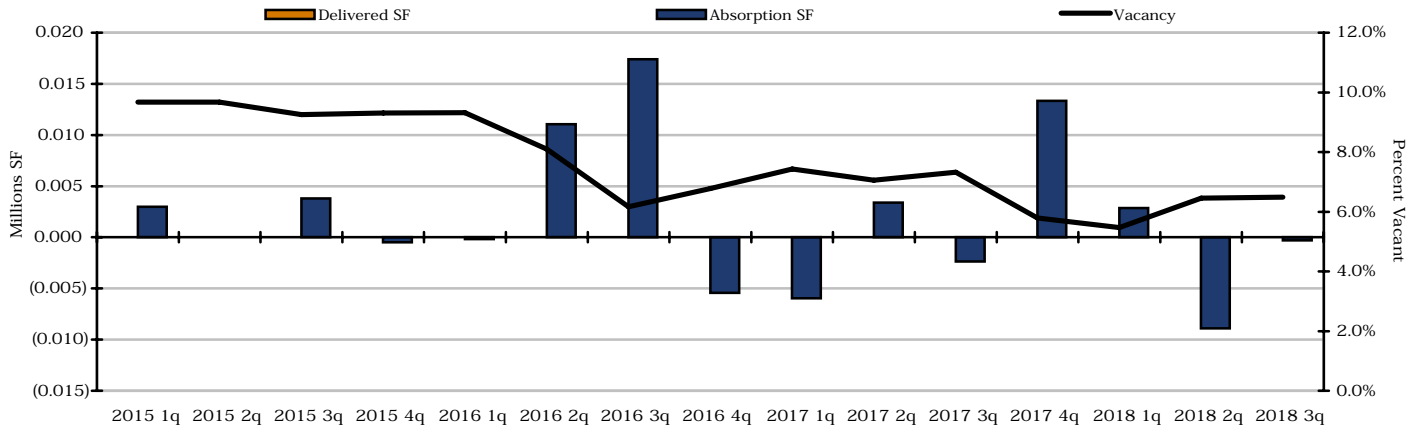


Walworth County Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

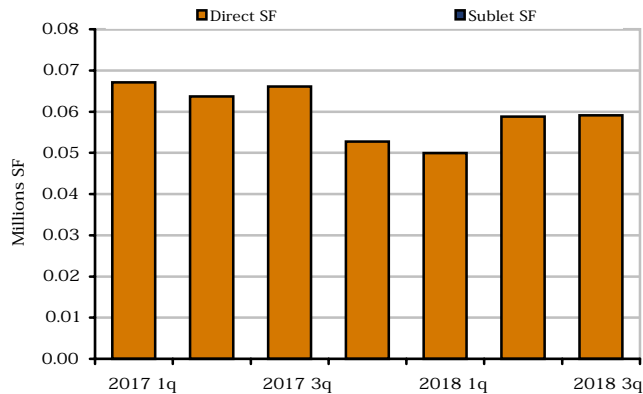
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

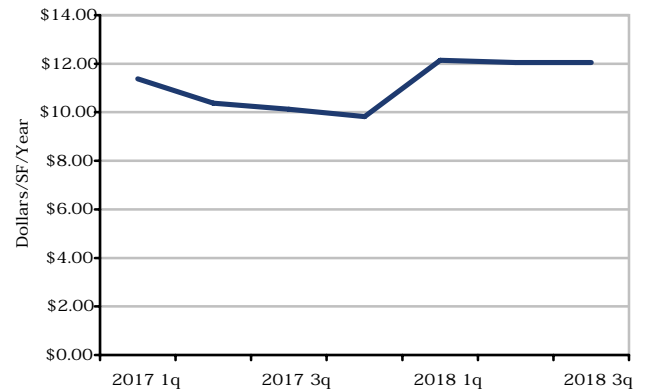
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	178	911,598	59,109	6.5%	(299)	0	0	0	0	\$12.05
2018 2q	178	911,598	58,810	6.5%	(8,907)	0	0	0	0	\$12.05
2018 1q	178	911,598	49,903	5.5%	2,849	0	0	0	0	\$12.13
2017 4q	178	911,598	52,752	5.8%	13,329	0	0	0	0	\$9.82
2017 3q	177	902,721	66,081	7.3%	(2,374)	0	0	0	0	\$10.13
2017 2q	177	902,721	63,707	7.1%	3,400	0	0	0	0	\$10.37
2017 1q	177	902,721	67,107	7.4%	(5,971)	0	0	0	0	\$11.37
2016 4q	177	902,721	61,136	6.8%	(5,430)	0	0	0	0	\$10.88
2016 3q	177	902,721	55,706	6.2%	17,395	0	0	0	0	\$10.22
2016 2q	177	902,721	73,101	8.1%	11,066	0	0	0	0	\$10.10
2016 1q	177	902,721	84,167	9.3%	(182)	0	0	0	0	\$10.54
2015 4q	177	902,721	83,985	9.3%	(484)	0	0	0	0	\$10.58
2015 3q	177	902,721	83,501	9.2%	3,795	0	0	0	0	\$9.89
2015 2q	177	902,721	87,296	9.7%	0	0	0	0	0	\$9.89
2015 1q	177	902,721	87,296	9.7%	3,000	0	0	0	0	\$10.32
2014 4q	177	902,721	90,296	10.0%	(13,120)	0	0	0	0	\$10.69

Source: CoStar Property®



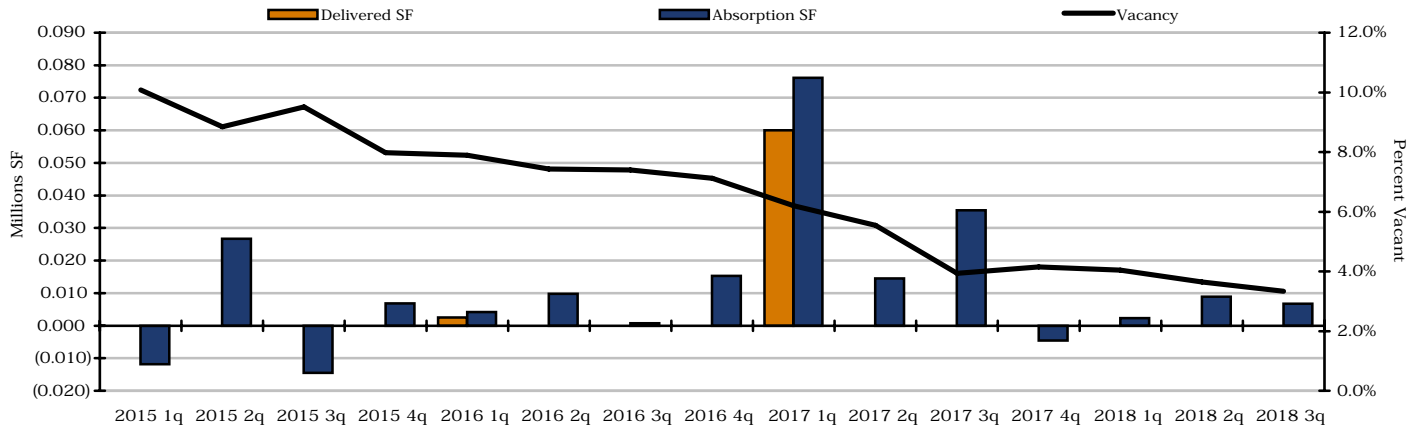
Milwaukee Office Market

Washington County Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

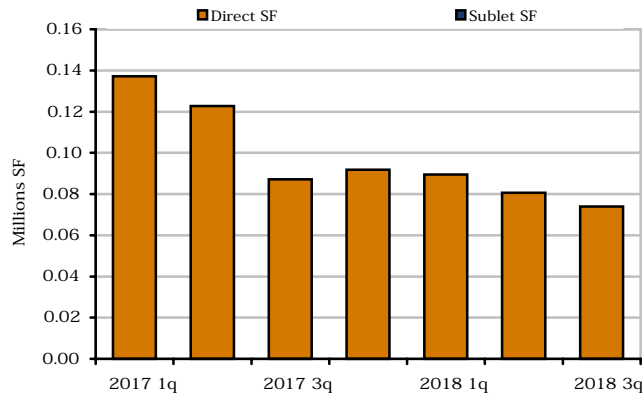
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

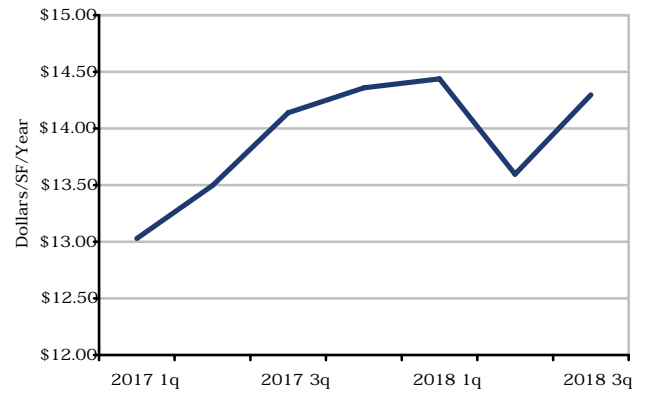
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	162	2,214,414	73,897	3.3%	6,732	0	0	0	0	\$14.30
2018 2q	162	2,214,414	80,629	3.6%	8,869	0	0	0	0	\$13.60
2018 1q	162	2,214,414	89,498	4.0%	2,311	0	0	0	0	\$14.44
2017 4q	162	2,214,414	91,809	4.1%	(4,612)	0	0	0	0	\$14.36
2017 3q	162	2,214,414	87,197	3.9%	35,489	0	0	0	0	\$14.14
2017 2q	162	2,214,414	122,686	5.5%	14,469	0	0	0	0	\$13.50
2017 1q	162	2,214,414	137,155	6.2%	76,153	1	60,000	0	0	\$13.03
2016 4q	161	2,154,414	153,308	7.1%	15,337	0	0	1	60,000	\$12.92
2016 3q	160	2,144,414	158,645	7.4%	725	0	0	2	70,000	\$14.13
2016 2q	160	2,144,414	159,370	7.4%	9,786	0	0	2	70,000	\$14.35
2016 1q	160	2,144,414	169,156	7.9%	4,169	1	2,500	1	10,000	\$13.82
2015 4q	159	2,141,914	170,825	8.0%	6,880	0	0	2	12,500	\$14.04
2015 3q	160	2,170,746	206,537	9.5%	(14,500)	0	0	1	10,000	\$14.31
2015 2q	160	2,170,746	192,037	8.8%	26,708	0	0	1	10,000	\$14.70
2015 1q	160	2,170,746	218,745	10.1%	(11,799)	0	0	0	0	\$14.42
2014 4q	160	2,170,746	206,946	9.5%	1,343	0	0	0	0	\$14.37

Source: CoStar Property®

Milwaukee Office Market

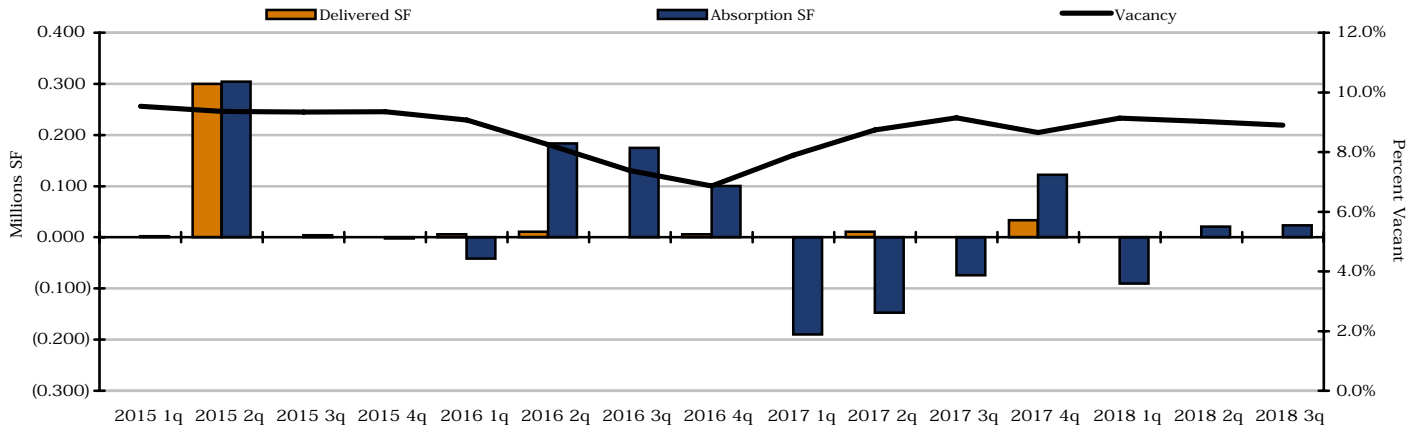


Waukesha County Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

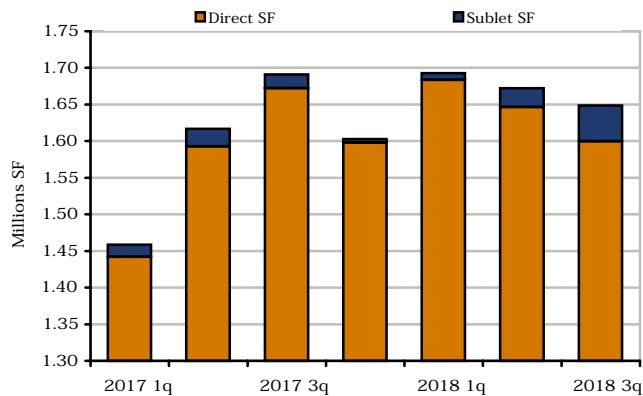
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

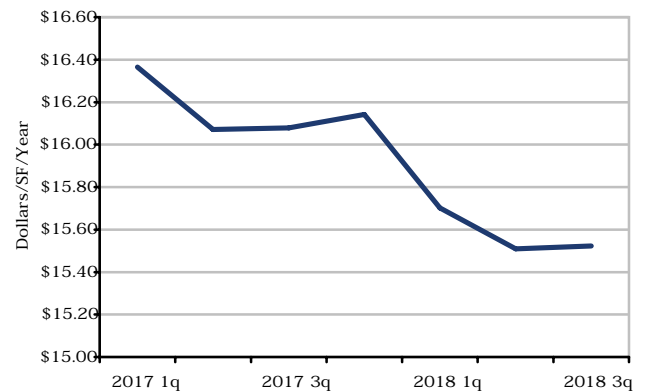
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	857	18,527,300	1,648,446	8.9%	23,649	0	0	2	68,000	\$15.52
2018 2q	857	18,527,300	1,672,095	9.0%	20,796	0	0	2	68,000	\$15.51
2018 1q	857	18,527,300	1,692,891	9.1%	(90,237)	0	0	2	68,000	\$15.70
2017 4q	857	18,527,300	1,602,654	8.7%	122,120	2	33,571	2	68,000	\$16.14
2017 3q	855	18,493,729	1,691,203	9.1%	(74,288)	0	0	3	51,571	\$16.08
2017 2q	855	18,493,729	1,616,915	8.7%	(147,640)	2	10,713	2	33,571	\$16.07
2017 1q	853	18,483,016	1,458,562	7.9%	(189,915)	0	0	4	44,284	\$16.37
2016 4q	853	18,483,016	1,268,647	6.9%	100,281	1	6,000	2	27,884	\$16.42
2016 3q	852	18,477,016	1,362,928	7.4%	175,069	0	0	2	12,313	\$16.50
2016 2q	851	18,462,172	1,523,153	8.3%	183,361	1	11,141	2	20,844	\$16.28
2016 1q	849	18,427,431	1,671,773	9.1%	(41,614)	1	5,659	4	55,585	\$16.69
2015 4q	849	18,529,732	1,732,460	9.3%	(2,099)	0	0	4	55,244	\$16.36
2015 3q	849	18,529,732	1,730,361	9.3%	4,140	0	0	4	55,244	\$16.18
2015 2q	849	18,529,732	1,734,501	9.4%	304,094	1	300,200	3	31,644	\$15.78
2015 1q	848	18,229,532	1,738,395	9.5%	2,368	0	0	3	326,185	\$16.12
2014 4q	848	18,229,532	1,740,763	9.5%	(1,759)	0	0	1	300,200	\$15.68

Source: CoStar Property®