



# Industrial Market Report

## Milwaukee Market

PREPARED BY



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**INDUSTRIAL MARKET REPORT**

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12 Mo Deliveries in SF

**1.9 M**

12 Mo Net Absorption in SF

**(758 K)**

Vacancy Rate

**4.4%**

12 Mo Rent Growth

**2.2%**

Milwaukee's proximity to Chicago stunts its ability to generate demand from national logistics companies. This leaves the market reliant on local demand, from companies such as UPS and FedEx and manufacturers that need to ship finished goods. Recent supply additions have vacancies expanding, but they remain well below the historical average. The low vacancy level supports the steady rent growth witnessed during this cycle, even if the numbers don't necessarily jump off the page. Rent growth is slowing a bit in 2019, but may still reach 2%

cumulative annual growth by year end. Logistics construction reigns supreme, and nearly 90% of the newly delivered square footage in 2017-19 would be classified as such. Demolitions are almost as common as new construction, particularly in manufacturing assets, and developers typically avoid construction of larger warehouses unless they are build-to-suit. Sales volume has generally risen as the cycle has matured, although rising interest rates may reduce the investment appeal of this market, which is rooted in high cap rates.

### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	90,913,566	7.7%	\$4.98	10.8%	(303,380)	0	3,202,890
Specialized Industrial	115,335,284	2.3%	\$5.34	5.6%	(74,224)	0	321,181
Flex	40,707,378	3.2%	\$7.09	5.9%	7,426	0	142,520
<b>Market</b>	<b>246,956,228</b>	<b>4.4%</b>	<b>\$5.49</b>	<b>7.6%</b>	<b>(370,178)</b>	<b>0</b>	<b>3,666,591</b>
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.0%	6.1%	4.9%	8.9%	2006 Q1	3.4%	2018 Q3
Net Absorption SF	(758 K)	800,905	1,092,216	4,791,371	2007 Q2	(2,319,566)	2010 Q3
Deliveries SF	1.9 M	1,123,140	2,135,498	3,489,167	2009 Q2	95,823	2013 Q4
Rent Growth	2.2%	0.8%	1.4%	5.3%	2019 Q1	-2.5%	2010 Q1
Sales Volume	\$345 M	\$309.8 M	N/A	\$490.5 M	2015 Q4	\$116.1 M	2010 Q4

Vacancy in the Milwaukee logistics market is slightly lower than the national average, although occupancy is bifurcated. Since almost all construction is build-to-suit, newer properties boast occupancy far stronger than the metro average. Big users may have to go the construction route if they require new space, since large spaces are seldom available. Limited spec construction should help the market retain stable vacancy, although a higher proportion of speculative square footage has delivered thus far in 2019 when compared with years past.

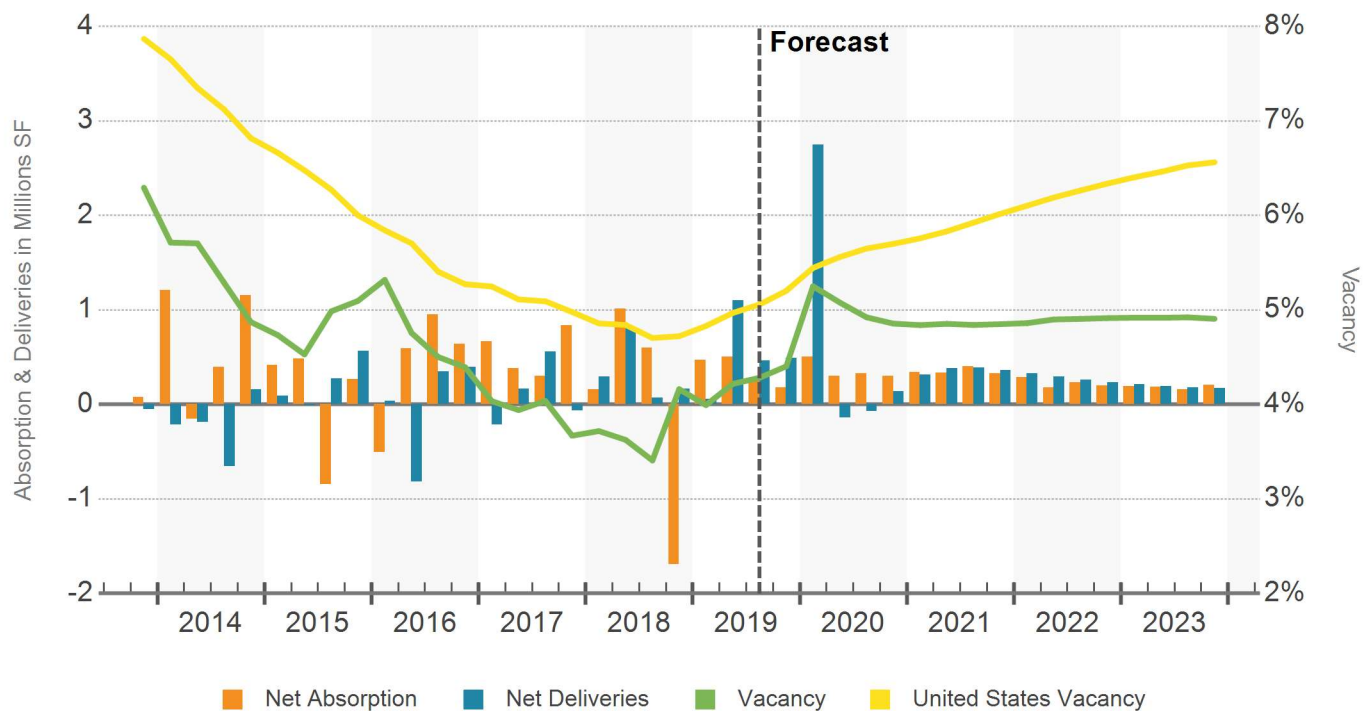
Because Milwaukee's proximity to Chicago hampers this metro's ability to generate demand from national logistics companies, Milwaukee's large manufacturing base could boost logistics demand, insofar as those companies need to ship their finished products and manage the supply of inputs coming to the metro. Companies such as Briggs & Stratton, a manufacturer of gasoline-powered garden equipment and the one of the metro's largest tenants with over 670,000 SF of logistics space occupied, should benefit from a resurging local and national housing market. Slightly edging it out for total SF occupied is FedEx, which occupies over 700,000 SF in three buildings. Food distributors, such as Sysco, General Mills, and US Foods, and 3PLs, including Ryder and Almo Distributing, round out the list of keystone tenants.

Another source of future demand could come in the form of the newly proposed Foxconn factory, which is

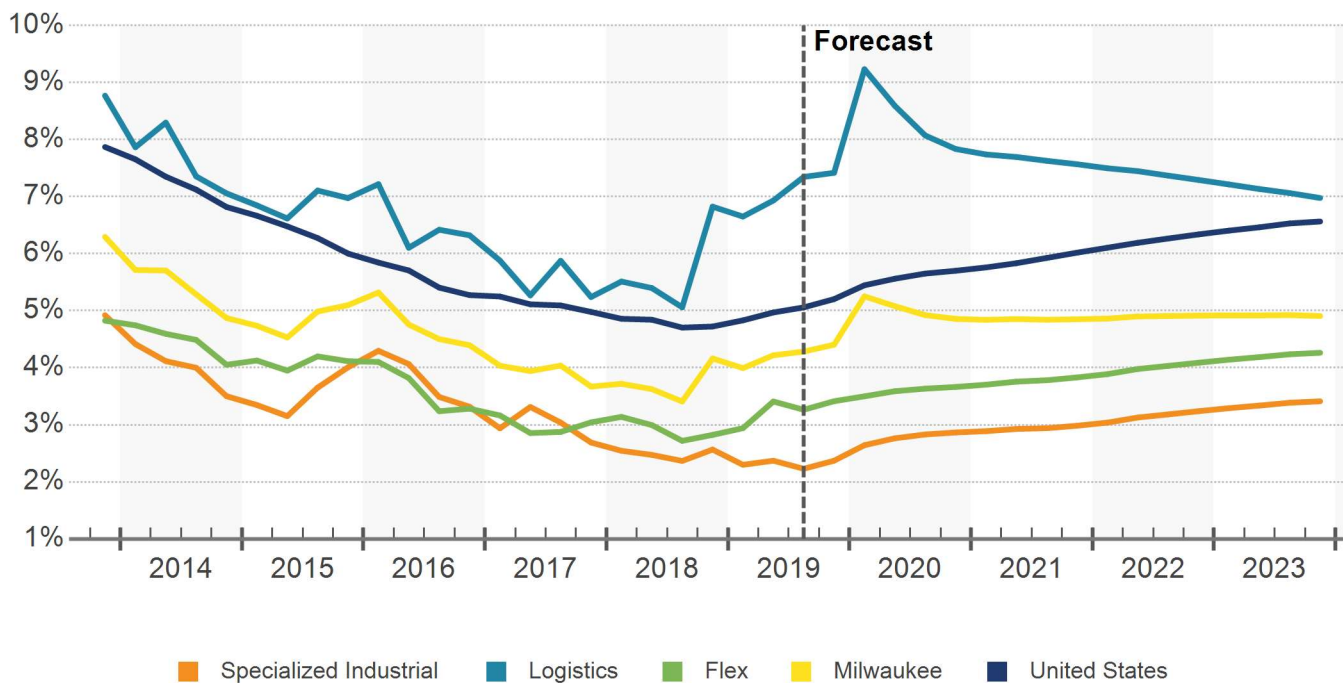
expected to be 20 million SF and employ 13,000 workers once fully integrated. However, there have been discussions about the actual breadth of the facility, and current workers claim its not likely they get close to 13,000 employees. Earlier this year, only about 120 open jobs were listed online for the site. Regardless of the magnitude, Foxconn's new Mt. Pleasant location will provide employment opportunities to nearby residents in Racine, Kenosha, and Milwaukee County. In December 2018 Foxconn purchased an additional 91 acres outside its development zone in Sturtevant, reaffirming its commitment to Southeast Wisconsin. The domino effect of such a large employer moving to Mt. Pleasant will likely culminate in increases in residential, retail and infrastructure investment and development in the coming years.

Moreover, the Port of Milwaukee, owned by the city government, is one of over a dozen intermodal facilities along Wisconsin's eastern coast. The port handles a variety of cargo, including bulk commodities, grain, fertilizers and fuel, and is connected to a couple (Union Pacific and Canadian Pacific) of Class I railways. Falling coal volumes are a headwind brought on by the rise of natural gas power plants, but the city is improving the road infrastructure around the facility to better handle heavy machinery. The potential for future logistics development is heightened by the Port, and the ability of the city to create easier access to it.

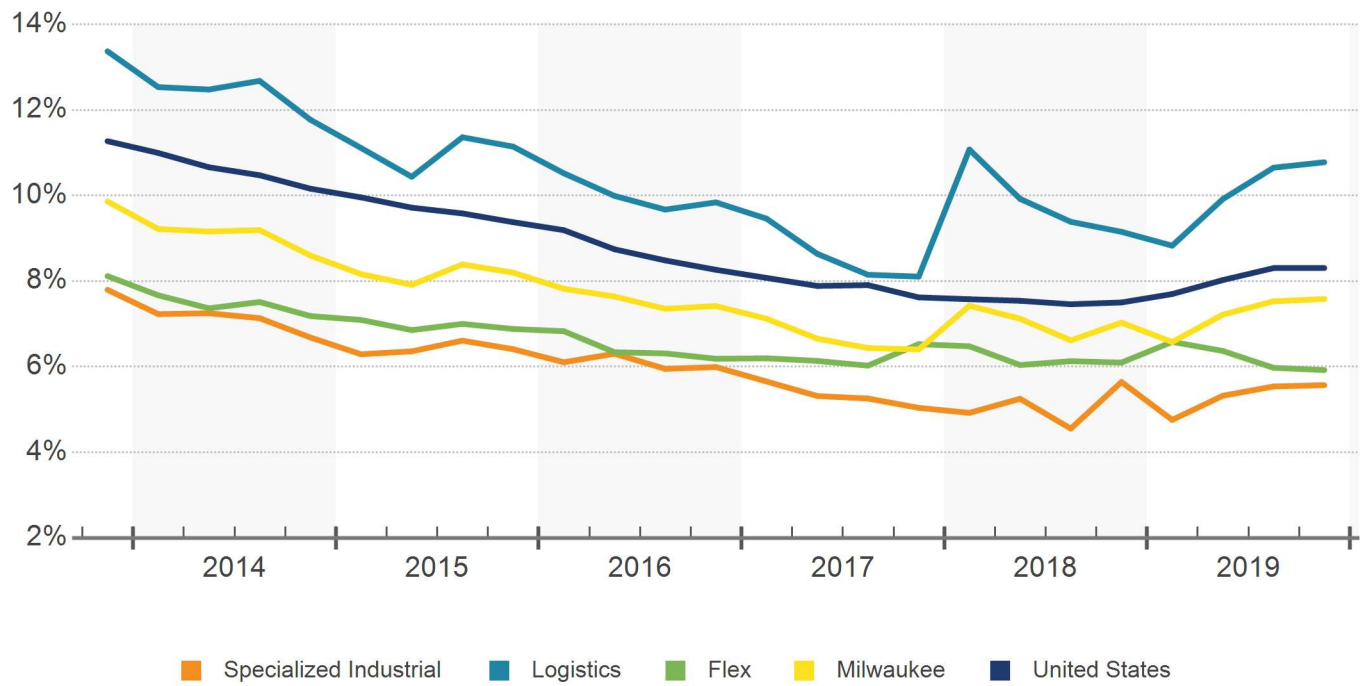
### NET ABSORPTION, NET DELIVERIES & VACANCY



### VACANCY RATE

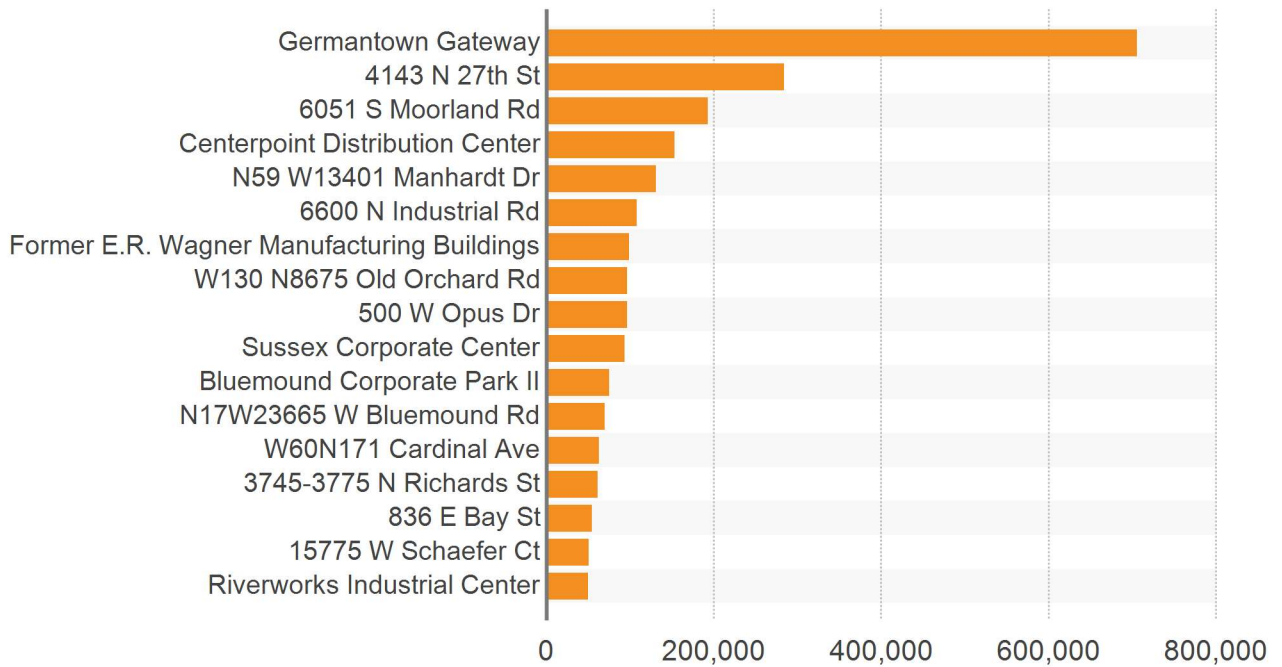


AVAILABILITY RATE





### 12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
Germantown Gateway	Washington East Ind	706,044	0	0	639,344	66,700	0	706,044
4143 N 27th St	Milwaukee NW Ind	283,769	0	283,769	0	0	0	283,769
6051 S Moorland Rd	SE/Muskego Ind	192,800	0	0	0	192,800	0	192,800
Centerpoint Distribution Center	Milwaukee SE Ind	153,300	0	153,300	0	0	0	153,300
N59 W13401 Manhardt Dr	NE/Menomonee Fall...	157,000	26,000	0	131,000	0	0	131,000
6600 N Industrial Rd	Milwaukee NW Ind	111,725	0	0	0	0	0	108,081
Former E.R. Wagner Manufactur...	Milwaukee NW Ind	98,600	0	98,600	0	0	0	98,600
W130 N8675 Old Orchard Rd	NE/Menomonee Fall...	200,000	75,000	0	0	0	0	96,739
500 W Opus Dr	Milwaukee SE Ind	99,681	0	0	0	0	0	96,430
Sussex Corporate Center	North/Sussex Ind	192,160	95,570	0	0	0	0	93,440
Bluemound Corporate Park II	Central Waukesha Ind	75,000	0	0	49,308	25,692	0	75,000
N17W23665 W Bluemound Rd	Central Waukesha Ind	120,000	0	0	0	0	0	69,652
W60N171 Cardinal Ave	North Ozaukee Ind	62,661	0	62,661	0	0	0	62,661
3745-3775 N Richards St	Milwaukee East Ind	105,000	43,350	0	0	65,000	(3,350)	61,650
836 E Bay St	Milwaukee SE Ind	85,244	30,000	0	0	40,000	0	54,510
15775 W Schaefer Ct	SE/Muskego Ind	50,892	0	343	0	50,549	0	50,892
Riverworks Industrial Center	Milwaukee East Ind	212,000	0	50,000	0	0	0	50,000
<b>Subtotal Primary Competitors</b>		<b>2,905,876</b>	<b>269,920</b>	<b>648,673</b>	<b>819,652</b>	<b>440,741</b>	<b>(3,350)</b>	<b>2,384,568</b>
Remaining Milwaukee Market		244,050,352	10,675,164	(180,404)	(319,394)	(159,079)	(366,828)	(3,142,135)
<b>Total Milwaukee Market</b>		<b>246,956,228</b>	<b>10,945,084</b>	<b>468,269</b>	<b>500,258</b>	<b>281,662</b>	<b>(370,178)</b>	<b>(757,567)</b>

## TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
4143 N 27th St	Milwaukee NW	283,769	Q1 19	Jonco Industries	-	-
6051 S Moorland Rd	SE/Muskego	192,800	Q1 19	-	Newmark Knight Frank	Cushman & Wakefield  ...
4611 N 32nd St	Milwaukee NW	98,600	Q4 18	MilwaukeeWarehouse.co...	-	CBRE
900 North St	North Ozaukee	81,944	Q4 18	Midwest Assembly, Ware...	-	-
1700 W Cornell St	Milwaukee NW	66,000	Q4 18	Uniti Fiber	-	The Barry Company
430 W Grange Ave	Milwaukee SE	56,000	Q1 19	-	-	Colliers International
130-150 W Edgerton Ave	Milwaukee SE	54,632	Q3 19	KAT Logistics	-	CBRE
N59 W13401 Manhardt Dr	NE/Menomonee Falls	52,224	Q1 19	-	-	The Dickman Company...
7000 S 10th	Milwaukee SE	51,000	Q1 19	-	-	Frontline Commercial R...
15775 W Schaefer Ct	SE/Muskego	50,549	Q2 19	US Alliance Fire Protection	-	Founders 3
N7W23750 Bluemound Rd	Central Waukesha	49,951	Q2 19	-	NAI Pfefferle	Interstate Partners
12855 W Silver Spring Dr *	NE/Menomonee Falls	48,000	Q4 18	The Anderson Group	The Barry Company	The Barry Company
9009 N 51st St	Milwaukee NW	44,304	Q2 19	-	-	The Dickman Company...
N88 W13901 Main St	NE/Menomonee Falls	42,600	Q3 19	-	-	JLL
2220-2240 S 162nd St	Brookfield/New Berlin	42,050	Q3 19	-	-	Colliers International
N60W16280 Kohler Ln *	NE/Menomonee Falls	41,248	Q1 19	Arctic Glacier, Inc.	-	-
190 W Marquette Ave	Milwaukee SE	38,050	Q2 19	-	-	CBRE
N60W14521 Kaul Ave	NE/Menomonee Falls	37,450	Q1 19	Wastebuilt Solutions LLC	-	The Dickman Company...
5120 S International Dr	Milwaukee SE	35,000	Q3 19	XPO Last Mile, Inc.	-	The Dickman Company...
2855-2885 S Calhoun Rd	Brookfield/New Berlin	32,000	Q1 19	Fiserv	-	Luterbach Companies
2900 S 163rd	Brookfield/New Berlin	31,660	Q3 19	GWI Ventures LLC	-	Founders 3
4991 Hron Rd	North Washington	30,652	Q2 19	-	-	The Barry Company
303 Commerce St	Central Waukesha	30,000	Q1 19	Edgar Prager & Sons, Inc.	-	Newmark Knight Frank
N59 W13401 Manhardt Dr	NE/Menomonee Falls	26,362	Q1 19	-	-	The Dickman Company...
5333-5349 S Emmer Dr	SE/Muskego	26,000	Q4 18	-	-	Colliers International
N7W23750 Bluemound Rd	Central Waukesha	25,692	Q3 19	Safan Darley	-	Interstate Partners;JLL
W130 N8675 Old Orchard Rd	NE/Menomonee Falls	25,000	Q4 18	-	-	The Dickman Company...
1327 6th Ave	North Ozaukee	25,000	Q1 19	Kleen Test Products	-	The Dickman Company...
9009 N 51st St	Milwaukee NW	24,500	Q2 19	-	-	The Dickman Company...
9051 N Deerbrook Trl	Milwaukee NW	23,760	Q3 19	-	-	Newmark Knight Frank
2152 S 114th St	West Allis	23,504	Q1 19	World Pac	-	Colliers International
15600 W Commerce Center Pky	SE/Muskego	21,520	Q3 19	-	-	Interstate Partners
4876 6th	Milwaukee SE	21,153	Q1 19	Birchwood Snow & Lands...	-	-
W360N8517 Brown St	NE/Delafield	20,615	Q3 19	-	-	Oconomowoc Realty
15600 W Commerce Center Pky	SE/Muskego	20,550	Q3 19	-	-	Newmark Knight Frank
2969 N 114th St	Mayfair/Wauwatosa	20,500	Q1 19	First and Bowl	-	CBRE
N7W23700 Bluemound Rd	Central Waukesha	20,000	Q3 19	-	-	Interstate Partners;JLL
N24W23750 Watertown Rd	Central Waukesha	20,000	Q1 19	PTW Auto Glass	-	2000 Development Corp.
1480 Independence Ave	Washington West	20,000	Q1 19	Glenroy Pouch Converting	-	CBRE
4965 S Howell St	Milwaukee SE	19,570	Q3 19	-	-	Newmark Knight Frank

\*Renewal



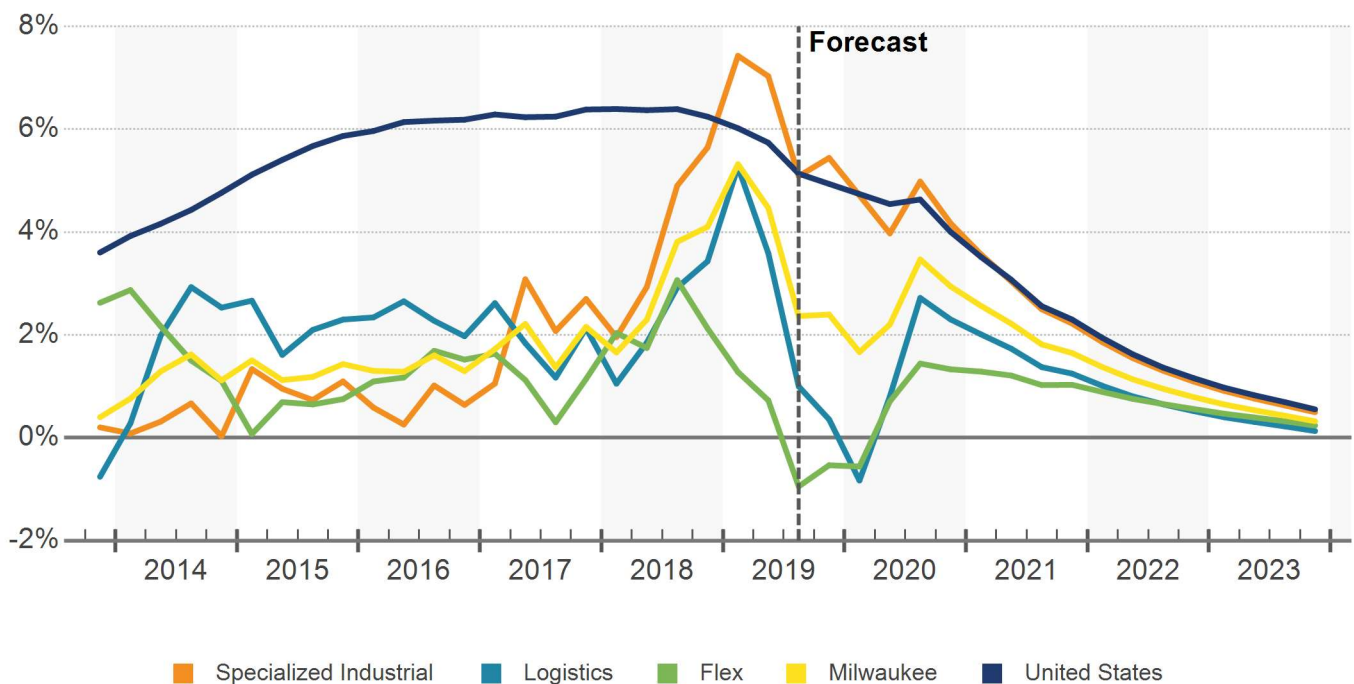
Rent growth is slowing down in 2019. The sheer magnitude of new supply to deliver this year coupled with the fact that these new projects remain largely vacant is having its impact on rent growth. There is not cause for alarm, as growth may still reach 2% by year end. However, this is coming off a cyclical high for rent growth in 2018, which was preceded by four consecutive years of 2% growth.

The average asking rent for industrial assets in Milwaukee is \$5.50/SF. This also happens to be the average asking rent in new warehouses constructed since 2018. An example is Willow Creek Way, an

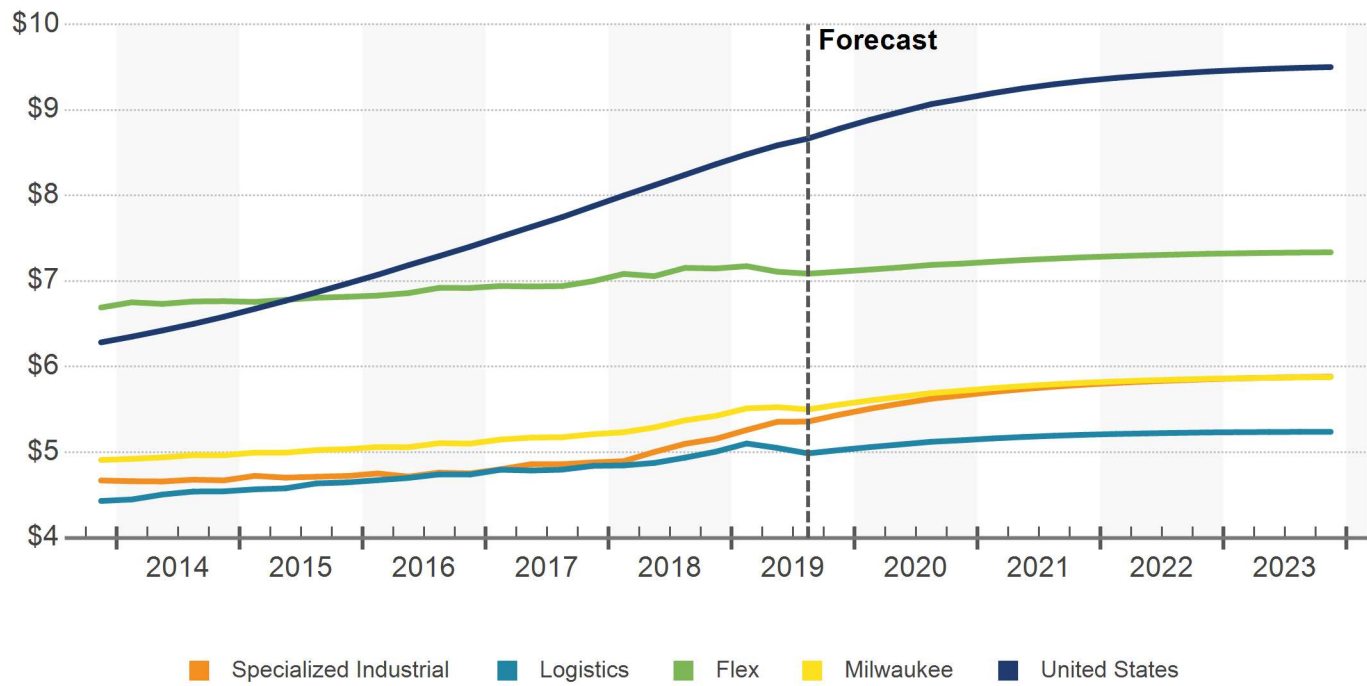
186,000 SF warehouse in the Washington East submarket that completed in 19Q2. Newmark Knight Frank is currently listing an 139,500 SF space for rent at \$5.50/SF/NNN.

Milwaukee's southern submarkets have witnessed stronger rent growth in the past 12 months. Leading the way is Milwaukee SE with over 4% rent growth in the past year. It is also the only Milwaukee submarket to reach 4% during that time period. Other highly ranked south-side submarkets for rent growth over the past year include Milwaukee Near SW (3.8%) and West Allis (3.4%).

### MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FOOT



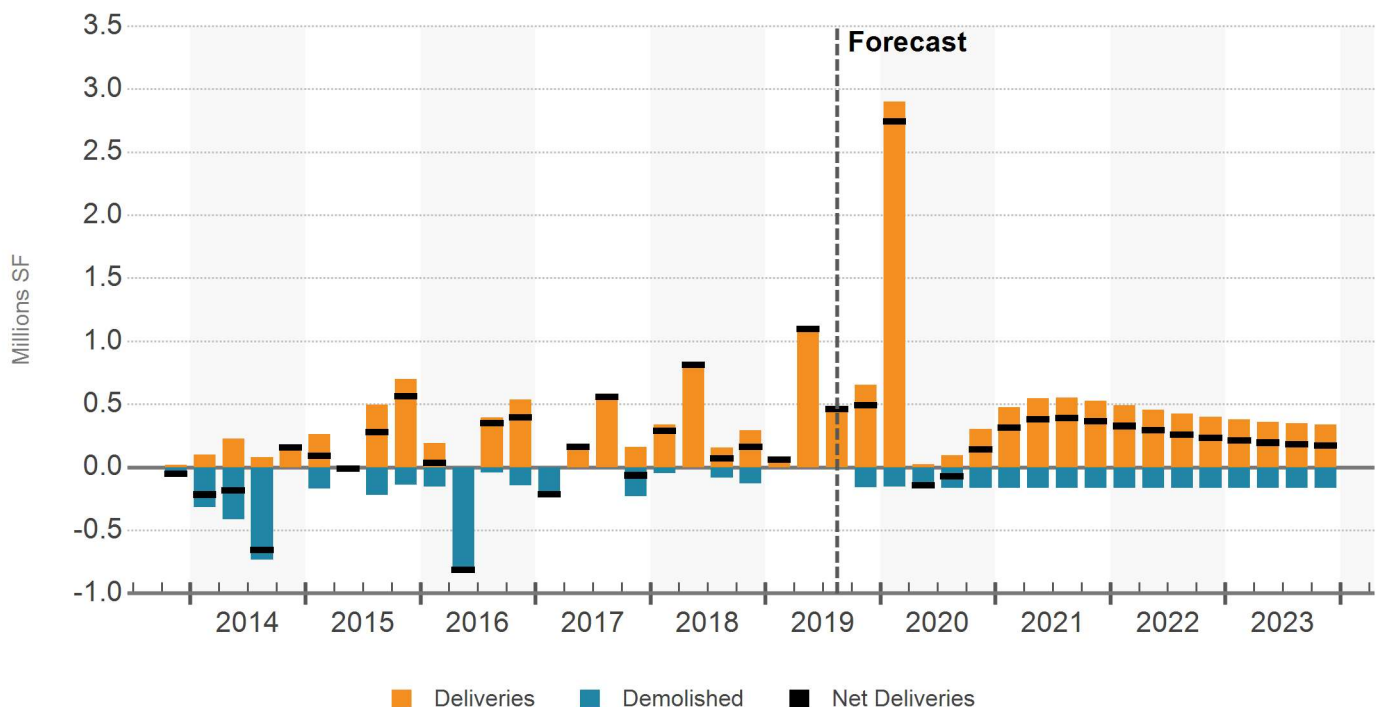
Milwaukee is in the midst of its largest industrial supply wave of the cycle. In fact, more square footage delivered through August of 2019 than in the entirety of 2018. New supply in 2019 is more focused in the Menomonee Falls area nearby I-41, as all new developments this year have completed within 5 miles of downtown Menomonee Falls. However, this trend is unlikely to persist. Over 80% of Milwaukee's under construction supply is located to the south of downtown, nearby I-94 & I-43, signaling a shift in completions from the northern suburbs to the southern suburbs. Moreover, the southern suburbs appeal to developers looking to capitalize on the increased demand generated by Foxconn. As the Foxconn continues to expand its footprint, the industrial presence in submarkets such as Milwaukee Southeast and SW Outlying Milwaukee should grow with it.

Speculative construction is on the rise. Four of the five projects to finish thus far in 2019 were not designed to suit a particular tenants needs. The largest space available among these projects is at the Gateway Crossing building in the Washington East submarket, which is marketing 198,648 SF for lease. Additionally, the speculative nature of development is expected to

continue in future projects. About 75% of under construction industrial buildings in Milwaukee are being built on spec. The largest under construction space available is at 610 W. Rawson Ave. in the Milwaukee SE submarket. The 180,178 SF building is expected to complete in 19Q3 and will be just a 20 minute drive from the Foxconn site. The largest build-to-suit project underway is Amazon's 2.6 million SF warehouse in Oak Creek. It is currently slated for a 2020 delivery.

Leasing is quick, particularly in the Milwaukee SE submarket. The draw of being nearby I-41, I-43, the Foxconn site and Chicago metro is giving Milwaukee's south suburbs more leverage. For instance, the 500,000 SF that delivered in the Milwaukee SE submarket in 2018 is fully occupied. This certainly bodes well for the submarket, especially considering the quantity of speculative supply about to complete in the south suburbs. However, not all projects that completed last year are full – the overall vacancy rate for completions in 2018 is about 5%. The largest space still available is a 75,000 SF space in Menomonee Falls - perhaps this listing is impacted by the wave of new supply to complete in Menomonee Falls thus far in 2019.

### DELIVERIES & DEMOLITIONS



### SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Milwaukee SE	5	3,242	3,015	93.0%	2	48,446	648,340	1
2	Milwaukee NW	1	150	0	0%	4	40,556	150,000	2
3	West Allis	2	145	0	0%	4	38,585	72,500	3
4	SW Outlying Milwaukee	2	97	8	8.3%	3	35,236	48,345	4
5	Milwaukee Near SW	1	21	21	100%	1	43,100	21,000	5
6	Central Waukesha	1	12	0	0%	4	33,543	12,200	6
7	Brookfield/New Berlin	0	-	-	-	-	32,762	-	-
8	Downtown East	0	-	-	-	-	14,100	-	-
9	Downtown West	0	-	-	-	-	27,797	-	-
10	Mayfair/Wauwatosa	0	-	-	-	-	92,063	-	-
	All Other	0	-	-	-		41,591	-	
<b>Totals</b>		<b>12</b>	<b>3,667</b>	<b>3,044</b>	<b>83.0%</b>		<b>40,799</b>	<b>305,549</b>	

# Under Construction Properties

Milwaukee Industrial

Properties

Square Feet

Percent of Inventory

Released

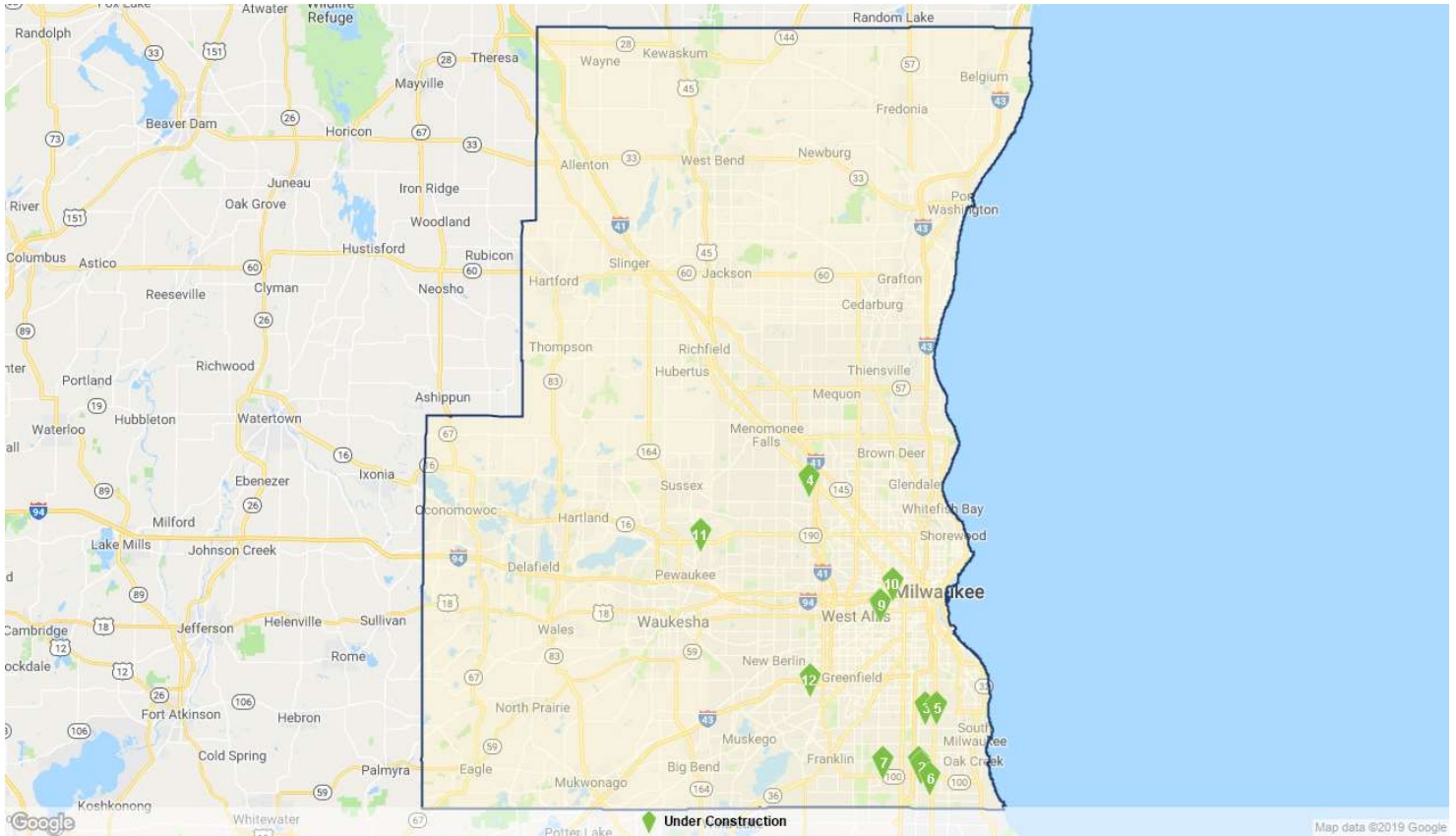
12

3,666,591

1.8%

83.0%

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 <b>Amazon</b> 9700 S 13th St	★★★★☆	2,600,000	4	Apr-2018	Feb-2020	Hillwood Development Corporation Hillwood Development Corporation
2 <b>Ryan Business Park</b> 9900 S 13th St	★★★★☆	199,000	1	Oct-2018	Nov-2019	- Quadrangle Development Company
3 <b>610 W Rawson Ave</b>	★★★★☆	180,178	-	Oct-2018	Jan-2020	- HSA Commercial Real Estate
4 <b>12111-12255 W Carmen...</b>	★★★★☆	150,000	1	Apr-2019	Nov-2019	Morgan Harbour Construction Scannell Properties
5 <b>Building A</b> 140 E Rawson Ave	★★★★☆	142,520	1	Mar-2019	Nov-2019	- St. John Properties
6 <b>Howell Ave</b>	★★★★★	120,003	1	Aug-2018	Jan-2020	- Susanne E Mordja
7 <b>9705 S Oakwood Park Dr</b>	★★★★☆	88,667	1	Apr-2019	Nov-2019	- Fort Street Investment Corporation

# Under Construction Properties

Milwaukee Industrial

## UNDER CONSTRUCTION

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8	<a href="#">Burnham Business Cent...</a> 52 W Burnham St	★ ★ ★ ★ ★	85,000	1	Oct-2019	Jul-2020	- Able Equipment Company Inc
9	<a href="#">Burnham Business Cent...</a> 100 W Burnham St	★ ★ ★ ★ ★	60,000	-	Apr-2019	Nov-2019	- Burnham BC LLC
10	<a href="#">3889 W Wheelhouse Rd</a>	★ ★ ★ ★ ★	21,000	1	Apr-2019	Mar-2020	- -
11	<a href="#">W226N2952 Duplainville...</a>	★ ★ ★ ★ ★	12,200	1	Jun-2019	Nov-2019	- Briohn Building Corporation
12	<a href="#">5635 S New Berlin Rd</a>	★ ★ ★ ★ ★	8,023	-	Jul-2019	Jul-2020	- -

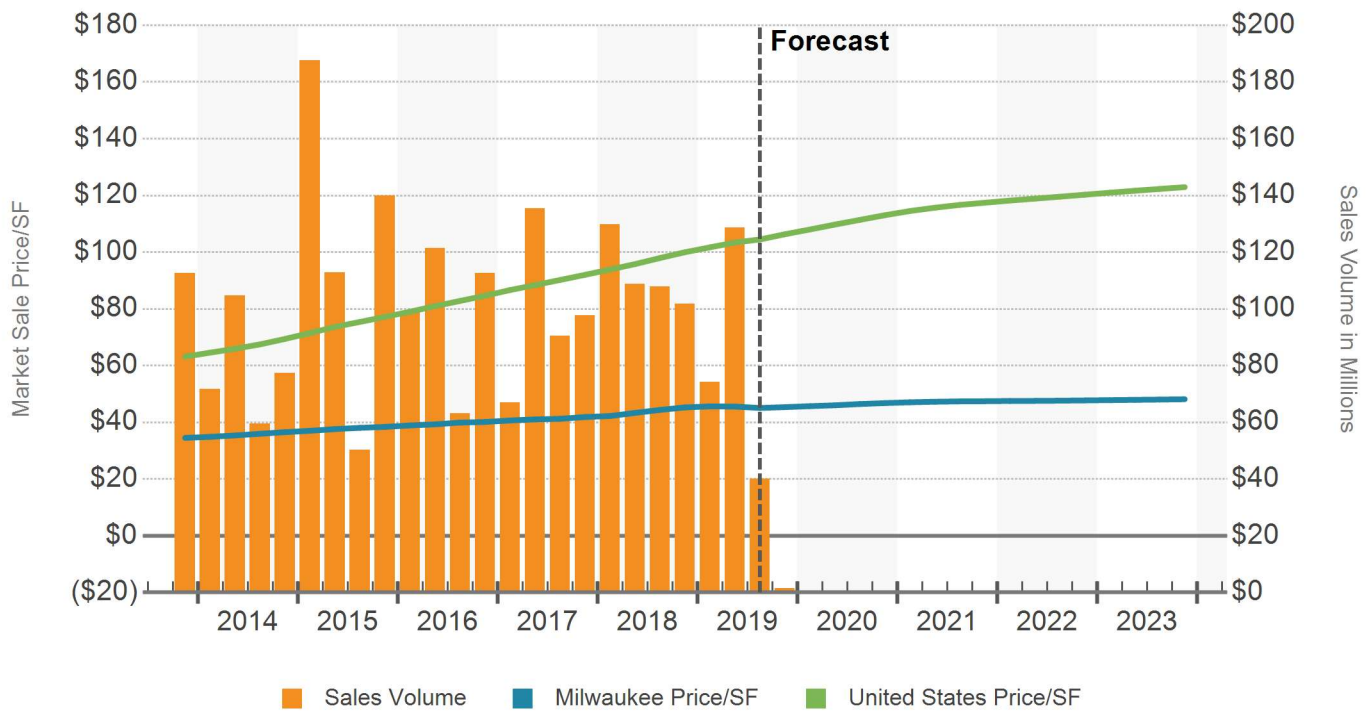


Sales volume has picked up steam in recent years. Pricing is increasing, albeit at a slow and steady pace. Cap rates are now falling, but remain over 7% on average throughout the Milwaukee metro.

The increase in portfolio transactions is boosting sales volume. For instance, in 18Q1 a six property portfolio totaling 425,000 SF sold for about \$25 million. The buyer, Milwaukee-based Zilber Property Group, acquired 50% interest in the six industrial properties (Zilber now has 100% ownership). The buildings, all located in New Berlin, ranged from 42,088 SF to 127,368 SF, and were fully occupied at the time of sale. About 25% of Milwaukee's sales volume in 2018 is composed of portfolio deals.

The largest building to trade this year is the 450,000 SF facility at 4265 N. 30th St. in the Milwaukee NW submarket. The asset sold in 19Q2 for \$3.5 million (\$7.78/SF). The seller, Leonardo DRS, announced plans to leave the property for a new development in Menomonee Falls. The buyer was Tom Ryan, president of Jonco Industries. He has shown a prior proclivity to purchase larger industrial buildings that are on the verge of being vacated. The low price per SF is primarily due to the fact that it will soon be vacant, and is a 3 Star rated property that could use some refurbishment.

SALES VOLUME & MARKET SALE PRICE PER SF



# Sales Past 12 Months

Milwaukee Industrial

Sale Comparables

253

Avg. Cap Rate

7.7%

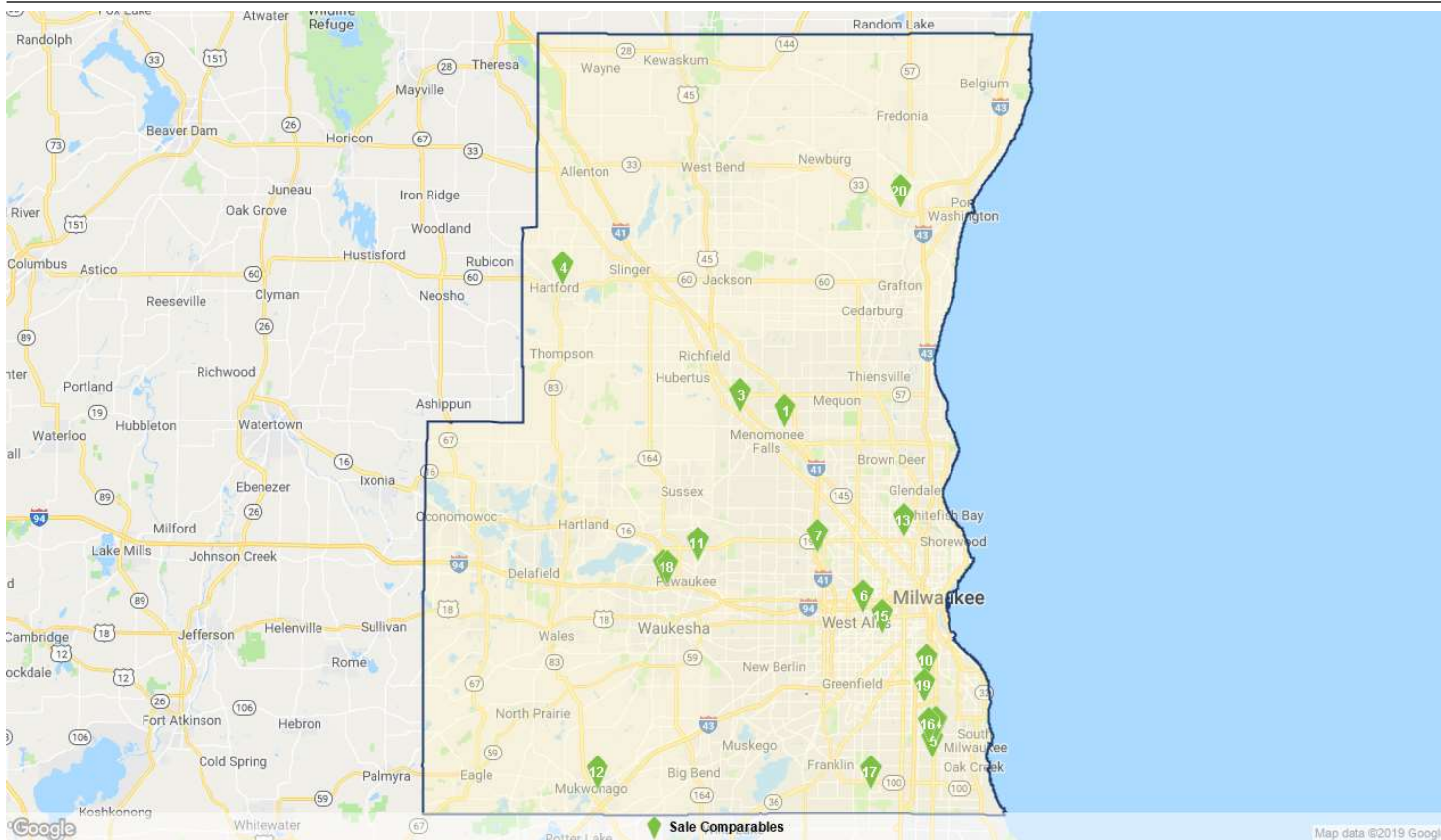
Avg. Price/SF

\$42

Avg. Vacancy At Sale

5.2%

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$135,000	\$1,803,878	\$781,794	\$23,460,964
Price Per SF	\$3.98	\$42	\$48	\$175
Cap Rate	5.1%	7.7%	7.7%	13.8%
Time Since Sale in Months	0.1	6.5	6.3	11.8
Property Attributes	Low	Average	Median	High
Building SF	1,050	41,710	20,000	450,000
Ceiling Height	8'	18'	17'6"	40'
Docks	0	4	2	58
Vacancy Rate At Sale	0%	5.2%	0%	100%
Year Built	1881	1972	1973	2019
Star Rating	★☆☆☆☆	★★★★★ 2.1	★★★★★	★★★★★

# Sales Past 12 Months

Milwaukee Industrial

## RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 <b>FedEx Ground</b> N96W14849 County Line Rd	★★★★★	2015	202,950	0%	5/30/2019	\$23,460,964	\$116	5.9%
2 <b>N15W24983 Bluemound...</b>	★★★★★	2012	173,000	0%	6/14/2019	\$15,000,000	\$87	-
3 <b>N102W19400 Willow Cre...</b>	★★★★★	2018	162,230	0%	12/11/2018	\$14,100,000	\$87	-
4 <b>105 Steelcraft Dr</b>	★★★★★	-	177,767	0%	5/31/2019	\$12,533,400	\$71	-
5 <b>135-137 W Forest Hill</b>	★★★★★	1992	148,405	0%	2/1/2019	\$11,700,000	\$79	-
6 <b>770 S 70th St</b>	★★★★★	-	74,722	0%	12/13/2018	\$9,200,000	\$123	-
7 <b>11400 W Burleigh St</b>	★★★★★	-	290,000	70.6%	5/31/2019	\$8,000,000	\$28	-
8 <b>First Oak Creek Commer...</b> 305 E Mahn Ct	★★★★★	2006	103,132	0%	4/4/2019	\$7,626,935	\$74	5.1%
9 <b>W228N2801 Duplainville...</b>	★★★★★	-	188,210	0%	12/18/2018	\$7,452,374	\$40	8.7%
10 <b>4343 S 6th St</b>	★★★★★	1956	108,003	0%	1/10/2019	\$7,100,000	\$66	-
11 <b>W277N2837 Duplainville...</b>	★★★★★	1999	99,991	0%	12/18/2018	\$6,847,626	\$68	8.7%
12 <b>600 Perkins Dr</b>	★★★★★	1993	151,746	0%	4/30/2019	\$6,600,000	\$43	-
13 <b>4143 N 27th St</b>	★★★★★	1948	283,769	0%	3/28/2019	\$6,100,000	\$21	-
14 <b>Oak Creek Commerce C...</b> 7420 S Howell Ave	★★★★★	2007	81,325	0%	4/4/2019	\$6,014,239	\$74	5.1%
15 <b>5000 W Electric Ave</b>	★★★★★	2003	120,452	0%	10/22/2018	\$5,400,000	\$45	8.5%
16 <b>525 W Marquette Ave</b>	★★★★★	1979	112,144	0%	12/19/2018	\$5,300,000	\$47	6.5%
17 <b>9909 S 57TH</b>	★★★★★	1998	37,450	0%	8/15/2019	\$5,250,000	\$140	-
18 <b>N13W24705 Bluemound...</b>	★★★★★	-	55,461	0%	1/30/2019	\$4,850,000	\$87	-
19 <b>King Juice Company He...</b> 851 W Grange	★★★★★	1989	114,253	0%	3/29/2019	\$4,485,000	\$39	9.0%
20 <b>300 N Dekora Woods Blvd</b>	★★★★★	-	71,931	0%	6/28/2019	\$3,557,500	\$49	8.0%

The financial services and professional and business services sectors picked up in 2018, but not without headwinds. The low-interest-rate environment led Northwestern Mutual to initiate a hiring freeze and announce layoffs, although it did affirm its commitment to the metro, citing the \$450 million headquarters it has underway downtown. JPMorgan Chase and Anchor Bank added pain to the financial sector, laying off 135 and 140 people respectively. Finally, deflationary pressure is hurting grocery stores and food manufacturers. Southern Wisconsin Foods, ConAgra Foods, Piggly Wiggly, Sentry, TreeHouse Private Brands, Tyson Foods, Monsanto, and Kraft Heinz announced local layoffs within the past few years.

The principal strength of Milwaukee is its low cost of doing business, relative to Chicago. Outside of higher wages and rent, Chicago's high taxes are the primary culprit for its higher cost of doing business. In 2016, a \$225 million tax hike took effect, magnifying the difference. Corporations responded by moving into Wisconsin, and Kenosha County in particular. Gold Standard Baking is the latest company to cross the border, despite the fact that locating the property in Illinois makes more sense logistically. The \$42 million facility could support 300 jobs at full capacity. Other companies to move across the border include Vonco Products and Colbert Packaging, both packaging

companies.

A high density of college-educated workers has fueled the area's national concentration of education- and healthcare-related employment. This does not just involve area hospitals and universities but extends to firms like GE Healthcare, which has 5,900 local employees who create cutting-edge medical technologies such as million-dollar MRI machines. Manufacturing employment, which makes up 14.3% of local jobs (nationally it accounts for only 8.7%), has been a drag on the local economy principally because automation has replaced routine-production workers, although a globalized economy and the rise of off-shoring play a role as well.

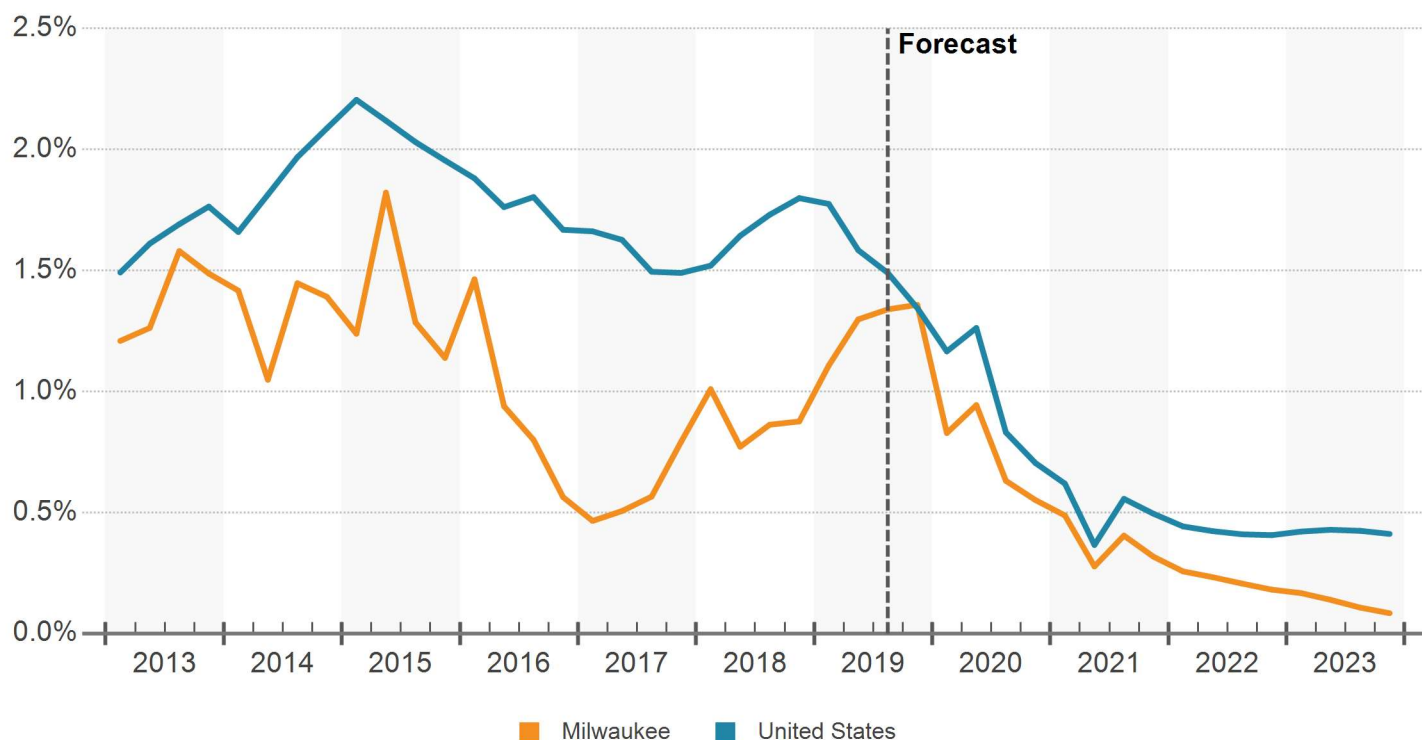
Numerous Fortune 1,000 companies headquartered in Milwaukee round out the economic picture. These companies include Johnson Controls, Northwestern Mutual, Kohl's, Harley-Davidson, and WEC Energy Group. There's also a notable concentration of financial institutions specializing in mutual funds and transaction processing, and a number of paper manufacturers, publishers, and printing companies. Milwaukee also serves as the headquarters of American Signal Corp., the Koss Corp., Harken, Lesaffre Yeast Corp., Master Lock, and Manpower.

### MILWAUKEE EMPLOYMENT BY INDUSTRY IN THOUSANDS

NAICS Industry	Current Jobs		Current Growth		10 Yr Historical		5 Yr Forecast	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	119	1.6	0.28%	1.17%	0.56%	1.02%	0.70%	-0.04%
Trade, Transportation and Utilities	149	0.9	1.17%	0.96%	0.35%	1.24%	0.08%	0.43%
Retail Trade	79	0.9	-0.23%	0.07%	0.36%	0.90%	0.21%	0.36%
Financial Activities	52	1.0	0.64%	0.88%	-0.73%	1.07%	0.01%	0.33%
Government	85	0.6	1.11%	0.48%	-0.43%	0.04%	0.41%	0.75%
Natural Resources, Mining and Construction	33	0.7	-0.03%	2.75%	1.29%	2.43%	0.18%	0.17%
Education and Health Services	176	1.2	2.72%	2.02%	1.87%	2.10%	0.14%	0.53%
Professional and Business Services	128	1.0	0.91%	2.19%	2.10%	2.72%	0.60%	0.93%
Information	13	0.8	-1.26%	-0.70%	-2.10%	0.13%	0.55%	0.56%
Leisure and Hospitality	83	0.8	1.79%	2.45%	1.92%	2.55%	0.00%	0.57%
Other Services	49	1.4	2.75%	1.30%	0.96%	1.02%	0.04%	0.26%
<b>Total Employment</b>	<b>887</b>	<b>1.0</b>	<b>1.34%</b>	<b>1.48%</b>	<b>0.92%</b>	<b>1.52%</b>	<b>0.28%</b>	<b>0.52%</b>

Source: Oxford Economics  
LQ = Location Quotient

## YEAR OVER YEAR JOB GROWTH



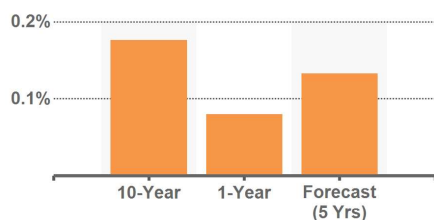
Source: Oxford Economics

## DEMOGRAPHIC TRENDS

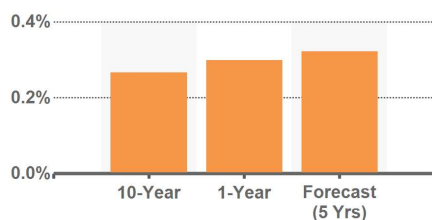
Demographic Category	Current Level		Current Change		10-Year Change		Forecast Change (5 Yrs)	
	Metro	U.S.	Metro	U.S.	Metro	U.S.	Metro	U.S.
Population	1,578,458	329,539,406	0.1%	0.7%	0.2%	0.7%	0.1%	0.7%
Households	625,120	121,330,977	0%	0.5%	0.2%	0.6%	0%	0.6%
Median Household Income	\$63,072	\$64,036	3.6%	3.3%	1.8%	2.4%	4.3%	4.3%
Labor Force	827,387	163,649,047	0.3%	1.0%	0.3%	0.6%	0.3%	0.5%
Unemployment	2.9%	3.6%	-0.3%	-0.2%	-0.6%	-0.6%	-	-

Source: Oxford Economics

## POPULATION GROWTH



## LABOR FORCE GROWTH



## INCOME GROWTH

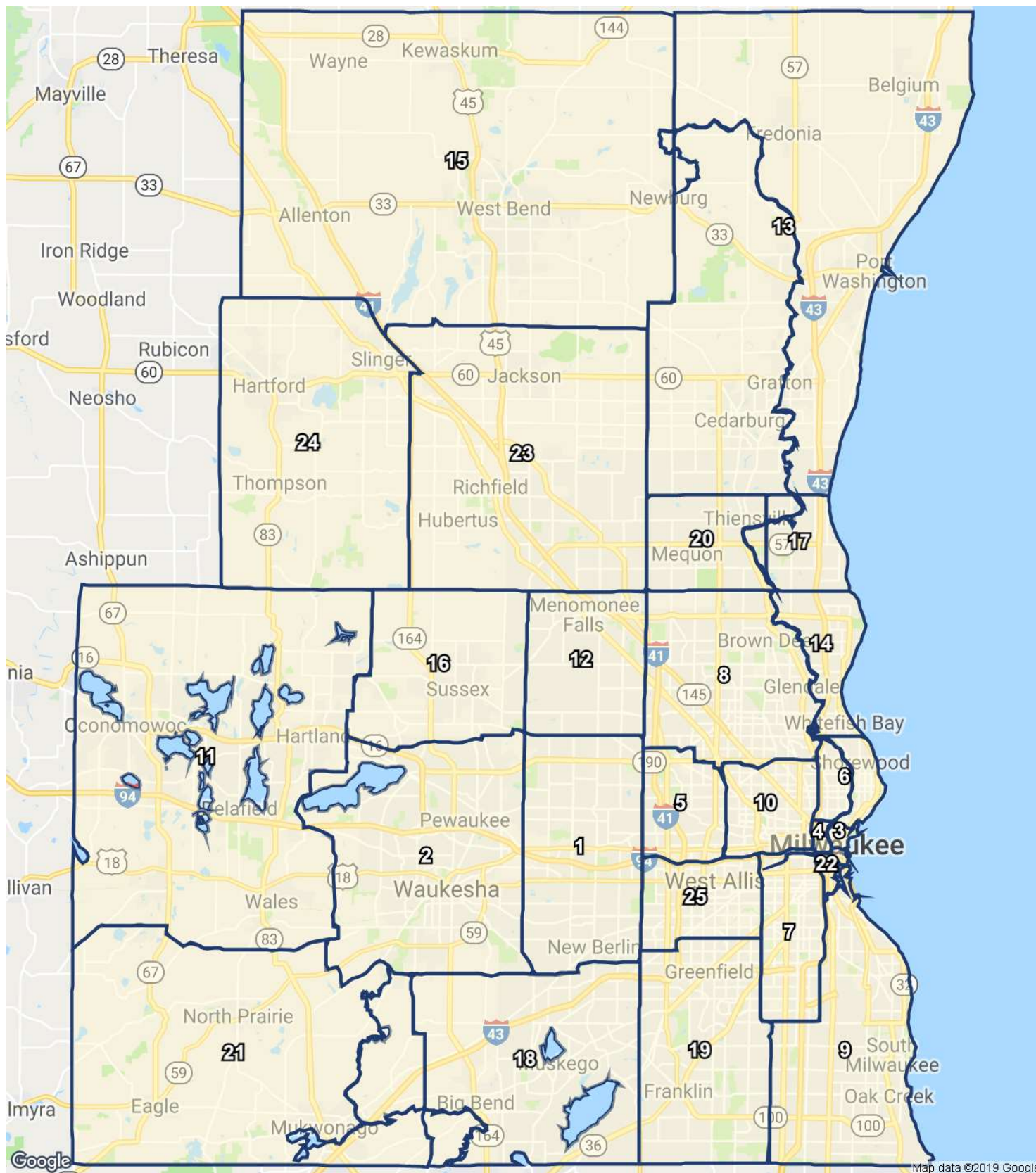


Source: Oxford Economics



## Submarkets

## MILWAUKEE SUBMARKETS





### SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Brookfield/New Berlin	458	15,005	6.1%	5	0	0	0%	-	0	-	-	-
2	Central Waukesha	765	25,661	10.4%	3	0	0	0%	-	1	12	0%	6
3	Downtown East	4	56	0%	25	0	0	0%	-	0	-	-	-
4	Downtown West	43	1,195	0.5%	22	0	0	0%	-	0	-	-	-
5	Mayfair/Wauwatosa	89	8,194	3.3%	13	0	0	0%	-	0	-	-	-
6	Milwaukee East	172	8,538	3.5%	12	0	0	0%	-	0	-	-	-
7	Milwaukee Near SW	327	14,094	5.7%	6	0	0	0%	-	1	21	0.1%	5
8	Milwaukee NW	830	33,661	13.6%	1	0	0	0%	-	1	150	0.4%	2
9	Milwaukee SE	585	28,341	11.5%	2	4	324	1.1%	2	5	3,242	11.4%	1
10	Milwaukee West	254	10,013	4.1%	9	0	0	0%	-	0	-	-	-
11	NE/Delafield	220	9,926	4.0%	10	0	0	0%	-	0	-	-	-
12	NE/Menomonee Falls	455	16,270	6.6%	4	2	214	1.3%	3	0	-	-	-
13	North Ozaukee	252	9,536	3.9%	11	0	0	0%	-	0	-	-	-
14	North Shore	4	219	0.1%	24	0	0	0%	-	0	-	-	-
15	North Washington	166	6,308	2.6%	16	0	0	0%	-	0	-	-	-
16	North/Sussex	99	5,517	2.2%	18	0	0	0%	-	0	-	-	-
17	SE Ozaukee/I-43 Corr	8	349	0.1%	23	0	0	0%	-	0	-	-	-
18	SE/Muskego	177	6,761	2.7%	15	1	187	2.8%	4	0	-	-	-
19	SW Outlying Milwaukee	164	5,779	2.3%	17	0	0	0%	-	2	97	1.7%	4
20	SW Ozaukee	65	3,127	1.3%	20	0	0	0%	-	0	-	-	-
21	SW/Mukwonago	72	2,180	0.9%	21	0	0	0%	-	0	-	-	-
22	Third Ward/Walkers Pt	133	7,438	3.0%	14	0	0	0%	-	0	-	-	-
23	Washington East	303	12,470	5.0%	8	3	1,091	8.7%	1	0	-	-	-
24	Washington West	80	3,662	1.5%	19	0	0	0%	-	0	-	-	-
25	West Allis	328	12,656	5.1%	7	1	87	0.7%	5	2	145	1.1%	3

### SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Brookfield/New Berlin	\$5.74	13	2.1%	14	-19.1%	10
2	Central Waukesha	\$6.29	5	1.8%	17	-19.2%	11
3	Downtown East	\$7.58	2	1.8%	18	-17.7%	6
4	Downtown West	\$6.97	3	2.6%	8	-21.8%	17
5	Mayfair/Wauwatosa	\$6.15	7	0.8%	24	-8.0%	1
6	Milwaukee East	\$5.19	20	2.3%	13	-19.1%	9
7	Milwaukee Near SW	\$5.46	18	3.1%	3	-23.4%	19
8	Milwaukee NW	\$4.87	22	1.1%	23	-12.4%	3
9	Milwaukee SE	\$4.99	21	2.8%	7	-24.1%	22
10	Milwaukee West	\$3.72	25	2.8%	6	-23.5%	21
11	NE/Delafield	\$5.89	9	1.7%	19	-25.0%	23
12	NE/Menomonee Falls	\$5.80	12	2.4%	10	-21.5%	13
13	North Ozaukee	\$5.54	15	1.3%	22	-15.1%	4
14	North Shore	\$4.51	24	0.8%	25	-18.3%	8
15	North Washington	\$4.72	23	1.3%	21	-16.7%	5
16	North/Sussex	\$5.85	10	2.3%	12	-21.7%	15
17	SE Ozaukee/I-43 Corr	\$8.80	1	1.9%	16	-11.6%	2
18	SE/Muskego	\$5.92	8	2.0%	15	-21.5%	14
19	SW Outlying Milwaukee	\$6.36	4	2.4%	11	-21.2%	12
20	SW Ozaukee	\$5.53	16	2.5%	9	-21.7%	16
21	SW/Mukwonago	\$5.70	14	3.4%	2	-26.3%	24
22	Third Ward/Walkers Pt	\$5.85	11	3.6%	1	-27.7%	25
23	Washington East	\$6.19	6	2.9%	5	-22.8%	18
24	Washington West	\$5.27	19	1.7%	20	-18.0%	7
25	West Allis	\$5.47	17	2.9%	4	-23.4%	20

## SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Net Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construct. Ratio
1	Brookfield/New Berlin	335,664	2.2%	8	(158,853)	-1.1%	20	-
2	Central Waukesha	526,166	2.1%	7	131,554	0.5%	8	0.3
3	Downtown East	-	-	-	0	0%	-	-
4	Downtown West	151,912	12.7%	21	(33,408)	-2.8%	16	-
5	Mayfair/Wauwatosa	2,400,488	29.3%	22	(1,810,454)	-22.1%	25	-
6	Milwaukee East	775,986	9.1%	19	94,535	1.1%	9	-
7	Milwaukee Near SW	419,382	3.0%	12	(80,528)	-0.6%	19	-
8	Milwaukee NW	1,207,365	3.6%	13	311,307	0.9%	2	-
9	Milwaukee SE	1,152,796	4.1%	16	291,630	1.0%	3	0.8
10	Milwaukee West	1,022,954	10.2%	20	(251,727)	-2.5%	23	-
11	NE/Delafield	45,786	0.5%	1	42,334	0.4%	10	-
12	NE/Menomonee Falls	271,654	1.7%	5	204,182	1.3%	5	1.0
13	North Ozaukee	248,935	2.6%	11	131,573	1.4%	7	-
14	North Shore	-	-	-	0	0%	-	-
15	North Washington	310,290	4.9%	17	(180,686)	-2.9%	22	-
16	North/Sussex	95,570	1.7%	6	139,767	2.5%	6	-
17	SE Ozaukee/I-43 Corr	-	-	-	0	0%	-	-
18	SE/Muskego	72,070	1.1%	3	278,598	4.1%	4	-
19	SW Outlying Milwaukee	136,506	2.4%	10	(34,039)	-0.6%	17	-
20	SW Ozaukee	45,724	1.5%	4	(6,700)	-0.2%	14	-
21	SW/Mukwonago	17,950	0.8%	2	(17,477)	-0.8%	15	-
22	Third Ward/Walkers Pt	648,686	8.7%	18	(332,636)	-4.5%	24	-
23	Washington East	476,277	3.8%	14	756,171	6.1%	1	1.4
24	Washington West	84,063	2.3%	9	(57,472)	-1.6%	18	-
25	West Allis	498,860	3.9%	15	(175,240)	-1.4%	21	-

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2023	253,425,381	756,909	0.3%	739,541	0.3%	1.0
2022	252,668,472	1,107,520	0.4%	893,900	0.4%	1.2
2021	251,560,952	1,444,438	0.6%	1,391,955	0.6%	1.0
2020	250,116,514	2,668,682	1.1%	1,424,574	0.6%	1.9
2019	247,447,832	2,150,258	0.9%	1,427,007	0.6%	1.5
YTD	246,956,228	1,658,654	0.7%	880,011	0.4%	1.9
2018	245,297,574	1,344,483	0.6%	78,649	0%	17.1
2017	243,953,091	438,915	0.2%	2,187,756	0.9%	0.2
2016	243,514,176	(35,867)	0%	1,674,425	0.7%	-
2015	243,550,043	916,063	0.4%	323,957	0.1%	2.8
2014	242,633,980	(906,691)	-0.4%	2,599,994	1.1%	-
2013	243,540,671	(2,261,539)	-0.9%	(552,430)	-0.2%	-
2012	245,802,210	(1,275,791)	-0.5%	707,074	0.3%	-
2011	247,078,001	(1,364,740)	-0.5%	(796,526)	-0.3%	-
2010	248,442,741	30,109	0%	(2,291,285)	-0.9%	-
2009	248,412,632	464,606	0.2%	(1,572,053)	-0.6%	-
2008	247,948,026	1,722,691	0.7%	4,147,279	1.7%	0.4
2007	246,225,335	953,998	0.4%	1,884,035	0.8%	0.5

## SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2023	115,935,723	72,805	0.1%	(130,746)	-0.1%	-
2022	115,862,918	97,579	0.1%	(201,053)	-0.2%	-
2021	115,765,339	121,291	0.1%	(18,415)	0%	-
2020	115,644,048	315,231	0.3%	(263,120)	-0.2%	-
2019	115,328,817	123,630	0.1%	346,237	0.3%	0.4
YTD	115,335,284	130,097	0.1%	440,749	0.4%	0.3
2018	115,205,187	44,091	0%	184,269	0.2%	0.2
2017	115,161,096	67,720	0.1%	787,803	0.7%	0.1
2016	115,093,376	(221,398)	-0.2%	583,476	0.5%	-
2015	115,314,774	130,663	0.1%	(458,426)	-0.4%	-
2014	115,184,111	(355,128)	-0.3%	1,298,015	1.1%	-
2013	115,539,239	(422,353)	-0.4%	(688,667)	-0.6%	-
2012	115,961,592	(1,009,899)	-0.9%	171,811	0.1%	-
2011	116,971,491	(1,330,747)	-1.1%	(492,452)	-0.4%	-
2010	118,302,238	92,647	0.1%	(1,027,657)	-0.9%	-
2009	118,209,591	(354,543)	-0.3%	(1,069,068)	-0.9%	-
2008	118,564,134	914,696	0.8%	2,213,972	1.9%	0.4
2007	117,649,438	393,948	0.3%	(600,855)	-0.5%	-

# Supply & Demand Trends

Milwaukee Industrial

## LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2023	96,515,973	650,644	0.7%	909,631	0.9%	0.7
2022	95,865,329	960,970	1.0%	1,153,853	1.2%	0.8
2021	94,904,359	1,259,476	1.3%	1,417,355	1.5%	0.9
2020	93,644,883	2,368,740	2.6%	1,804,046	1.9%	1.3
2019	91,276,143	1,753,843	2.0%	1,097,610	1.2%	1.6
YTD	90,913,566	1,391,266	1.6%	519,330	0.6%	2.7
2018	89,522,300	1,300,392	1.5%	(194,840)	-0.2%	-
2017	88,221,908	359,480	0.4%	1,291,523	1.5%	0.3
2016	87,862,428	(98,752)	-0.1%	480,899	0.5%	-
2015	87,961,180	621,445	0.7%	650,098	0.7%	1.0
2014	87,339,735	(551,563)	-0.6%	992,109	1.1%	-
2013	87,891,298	(1,525,876)	-1.7%	209,653	0.2%	-
2012	89,417,174	(309,098)	-0.3%	560,731	0.6%	-
2011	89,726,272	126,803	0.1%	(30,829)	0%	-
2010	89,599,469	(65,138)	-0.1%	(1,062,235)	-1.2%	-
2009	89,664,607	632,892	0.7%	(480,649)	-0.5%	-
2008	89,031,715	771,630	0.9%	1,670,663	1.9%	0.5
2007	88,260,085	456,465	0.5%	2,154,191	2.4%	0.2

## FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2023	40,973,685	33,460	0.1%	(39,344)	-0.1%	-
2022	40,940,225	48,971	0.1%	(58,900)	-0.1%	-
2021	40,891,254	63,671	0.2%	(6,985)	0%	-
2020	40,827,583	(15,289)	0%	(116,352)	-0.3%	-
2019	40,842,872	272,785	0.7%	(16,840)	0%	-
YTD	40,707,378	137,291	0.3%	(80,068)	-0.2%	-
2018	40,570,087	0	0%	89,220	0.2%	0
2017	40,570,087	11,715	0%	108,430	0.3%	0.1
2016	40,558,372	284,283	0.7%	610,050	1.5%	0.5
2015	40,274,089	163,955	0.4%	132,285	0.3%	1.2
2014	40,110,134	0	0%	309,870	0.8%	0
2013	40,110,134	(313,310)	-0.8%	(73,416)	-0.2%	-
2012	40,423,444	43,206	0.1%	(25,468)	-0.1%	-
2011	40,380,238	(160,796)	-0.4%	(273,245)	-0.7%	-
2010	40,541,034	2,600	0%	(201,393)	-0.5%	-
2009	40,538,434	186,257	0.5%	(22,336)	-0.1%	-
2008	40,352,177	36,365	0.1%	262,644	0.7%	0.1
2007	40,315,812	103,585	0.3%	330,699	0.8%	0.3

### OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2023	\$5.88	115	0.3%	8.3%	12,432,146	4.9%	0%
2022	\$5.86	114	0.8%	8.0%	12,413,662	4.9%	0.1%
2021	\$5.81	113	1.6%	7.1%	12,199,255	4.8%	0%
2020	\$5.72	111	2.9%	5.4%	12,143,188	4.9%	0.5%
2019	\$5.56	108	2.4%	2.4%	10,895,735	4.4%	0.2%
YTD	\$5.49	107	1.2%	1.2%	10,945,084	4.4%	0.3%
2018	\$5.43	106	4.1%	0%	10,208,052	4.2%	0.5%
2017	\$5.21	102	2.2%	-3.9%	8,951,718	3.7%	-0.7%
2016	\$5.10	99	1.3%	-6.0%	10,700,559	4.4%	-0.7%
2015	\$5.04	98	1.4%	-7.2%	12,410,851	5.1%	0.2%
2014	\$4.97	97	1.1%	-8.5%	11,818,745	4.9%	-1.4%
2013	\$4.91	96	0.4%	-9.5%	15,325,430	6.3%	-0.6%
2012	\$4.89	95	0%	-9.9%	17,034,539	6.9%	-0.8%
2011	\$4.89	95	-1.9%	-9.8%	19,017,404	7.7%	-0.2%
2010	\$4.99	97	-1.7%	-8.1%	19,585,618	7.9%	0.9%
2009	\$5.07	99	-1.2%	-6.5%	17,264,224	6.9%	0.8%
2008	\$5.13	100	0.2%	-5.4%	15,227,565	6.1%	-1.0%
2007	\$5.12	100	0.6%	-5.6%	17,652,153	7.2%	-0.4%

### SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2023	\$5.88	121	0.5%	14.1%	3,955,461	3.4%	0.2%
2022	\$5.85	120	1.1%	13.5%	3,751,950	3.2%	0.3%
2021	\$5.79	119	2.2%	12.3%	3,453,633	3.0%	0.1%
2020	\$5.66	116	4.2%	9.8%	3,312,910	2.9%	0.5%
2019	\$5.44	112	5.4%	5.4%	2,733,495	2.4%	-0.2%
YTD	\$5.34	110	3.6%	3.6%	2,645,250	2.3%	-0.3%
2018	\$5.16	106	5.6%	0%	2,955,902	2.6%	-0.1%
2017	\$4.88	100	2.7%	-5.3%	3,096,080	2.7%	-0.6%
2016	\$4.75	98	0.6%	-7.8%	3,816,163	3.3%	-0.7%
2015	\$4.72	97	1.1%	-8.4%	4,621,037	4.0%	0.5%
2014	\$4.67	96	0%	-9.4%	4,031,948	3.5%	-1.4%
2013	\$4.67	96	0.2%	-9.4%	5,685,091	4.9%	0.2%
2012	\$4.66	96	0.9%	-9.6%	5,418,777	4.7%	-1.0%
2011	\$4.62	95	-1.7%	-10.5%	6,600,487	5.6%	-0.6%
2010	\$4.70	96	-2.7%	-8.9%	7,438,782	6.3%	0.9%
2009	\$4.83	99	-0.8%	-6.4%	6,318,478	5.3%	0.6%
2008	\$4.87	100	-0.1%	-5.6%	5,603,953	4.7%	-1.1%
2007	\$4.87	100	-0.1%	-5.5%	6,903,229	5.9%	0.8%



## LOGISTICS RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2023	\$5.24	112	0.1%	4.6%	6,730,642	7.0%	-0.3%
2022	\$5.23	111	0.5%	4.5%	6,988,138	7.3%	-0.3%
2021	\$5.21	111	1.2%	3.9%	7,179,554	7.6%	-0.3%
2020	\$5.14	109	2.3%	2.7%	7,334,885	7.8%	0.4%
2019	\$5.03	107	0.4%	0.4%	6,768,283	7.4%	0.6%
YTD	\$4.98	106	-0.5%	-0.5%	6,979,008	7.7%	0.9%
2018	\$5.01	107	3.4%	0%	6,107,072	6.8%	1.6%
2017	\$4.84	103	2.1%	-3.3%	4,621,340	5.2%	-1.1%
2016	\$4.74	101	2.0%	-5.3%	5,553,383	6.3%	-0.7%
2015	\$4.65	99	2.3%	-7.2%	6,133,034	7.0%	-0.1%
2014	\$4.54	97	2.5%	-9.3%	6,161,687	7.1%	-1.7%
2013	\$4.43	94	-0.8%	-11.5%	7,705,359	8.8%	-1.8%
2012	\$4.47	95	-0.5%	-10.8%	9,440,888	10.6%	-0.9%
2011	\$4.49	96	-1.8%	-10.4%	10,310,717	11.5%	0.2%
2010	\$4.57	97	-0.7%	-8.8%	10,153,085	11.3%	1.1%
2009	\$4.60	98	-2.1%	-8.2%	9,155,988	10.2%	1.2%
2008	\$4.70	100	-0.4%	-6.2%	8,042,447	9.0%	-1.1%
2007	\$4.71	100	-0.2%	-5.9%	8,941,480	10.1%	-2.0%

## FLEX RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2023	\$7.34	106	0.2%	2.6%	1,746,043	4.3%	0.2%
2022	\$7.32	106	0.6%	2.4%	1,673,574	4.1%	0.3%
2021	\$7.28	106	1.0%	1.8%	1,566,068	3.8%	0.2%
2020	\$7.20	104	1.3%	0.8%	1,495,393	3.7%	0.2%
2019	\$7.11	103	-0.5%	-0.5%	1,393,957	3.4%	0.6%
YTD	\$7.09	103	-0.9%	-0.9%	1,320,826	3.2%	0.4%
2018	\$7.15	104	2.1%	0%	1,145,078	2.8%	-0.2%
2017	\$7.00	102	1.1%	-2.1%	1,234,298	3.0%	-0.2%
2016	\$6.92	100	1.5%	-3.2%	1,331,013	3.3%	-0.8%
2015	\$6.82	99	0.8%	-4.6%	1,656,780	4.1%	0.1%
2014	\$6.77	98	1.1%	-5.3%	1,625,110	4.1%	-0.8%
2013	\$6.69	97	2.6%	-6.4%	1,934,980	4.8%	-0.6%
2012	\$6.52	95	-1.2%	-8.8%	2,174,874	5.4%	0.2%
2011	\$6.60	96	-2.5%	-7.7%	2,106,200	5.2%	0.3%
2010	\$6.76	98	-1.5%	-5.4%	1,993,751	4.9%	0.5%
2009	\$6.87	100	-0.3%	-3.9%	1,789,758	4.4%	0.5%
2008	\$6.89	100	1.7%	-3.5%	1,581,165	3.9%	-0.6%
2007	\$6.78	98	3.6%	-5.2%	1,807,444	4.5%	-0.6%

### OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2023	-	-	-	-	-	-	\$48.15	146	8.9%
2022	-	-	-	-	-	-	\$47.74	145	8.8%
2021	-	-	-	-	-	-	\$47.47	144	8.7%
2020	-	-	-	-	-	-	\$46.80	142	8.6%
2019	-	-	-	-	-	-	\$45.37	138	8.7%
YTD	176	\$244.3 M	3.0%	\$1,793,726	\$39.42	7.5%	\$45.07	137	8.7%
2018	293	\$448.1 M	5.4%	\$2,082,719	\$39.43	8.4%	\$45.27	138	8.5%
2017	272	\$390.4 M	4.7%	\$1,898,310	\$39.46	9.2%	\$41.89	127	8.5%
2016	272	\$396.4 M	4.6%	\$1,650,396	\$36.67	8.1%	\$40.14	122	8.6%
2015	308	\$490.5 M	6.1%	\$1,825,135	\$34.97	7.8%	\$38.41	117	8.7%
2014	231	\$313.3 M	3.9%	\$1,496,899	\$34.10	8.4%	\$36.55	111	8.9%
2013	237	\$295.1 M	4.1%	\$1,346,759	\$29.82	8.9%	\$34.52	105	9.0%
2012	253	\$229.2 M	3.4%	\$1,112,408	\$30.31	10.4%	\$33.52	102	9.1%
2011	172	\$211.8 M	2.8%	\$1,336,618	\$31.75	7.8%	\$32.06	97	9.4%
2010	142	\$116.1 M	1.6%	\$858,773	\$30.53	10.9%	\$31.13	95	9.7%
2009	148	\$147.1 M	2.3%	\$1,034,144	\$25.57	8.1%	\$30.18	92	10.0%
2008	191	\$240.7 M	2.7%	\$1,314,264	\$37.37	8.3%	\$32.91	100	9.5%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

### SPECIALIZED INDUSTRIAL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2023	-	-	-	-	-	-	\$47.35	151	8.9%
2022	-	-	-	-	-	-	\$46.85	149	8.8%
2021	-	-	-	-	-	-	\$46.46	148	8.7%
2020	-	-	-	-	-	-	\$45.56	145	8.6%
2019	-	-	-	-	-	-	\$43.67	139	8.6%
YTD	67	\$96.6 M	3.0%	\$1,857,775	\$35.14	7.0%	\$43.15	137	8.6%
2018	116	\$150.3 M	4.2%	\$1,688,411	\$34.36	8.5%	\$43.33	138	8.4%
2017	110	\$152.6 M	4.0%	\$1,861,236	\$39.97	8.9%	\$39.99	127	8.5%
2016	114	\$150.4 M	3.9%	\$1,486,899	\$34.54	9.6%	\$38.18	121	8.5%
2015	122	\$216.9 M	5.6%	\$1,902,729	\$35.46	7.1%	\$36.51	116	8.6%
2014	84	\$113.8 M	2.7%	\$1,477,722	\$37.37	8.2%	\$34.81	111	8.8%
2013	92	\$122.4 M	3.9%	\$1,407,062	\$27.82	8.9%	\$32.87	105	9.0%
2012	101	\$90.1 M	3.7%	\$1,057,972	\$22.63	10.4%	\$31.91	101	9.1%
2011	83	\$100.5 M	3.3%	\$1,225,127	\$26.38	6.5%	\$30.54	97	9.4%
2010	65	\$70.9 M	2.2%	\$1,136,008	\$28.82	10.6%	\$29.68	94	9.6%
2009	63	\$76.5 M	2.2%	\$1,233,423	\$29.74	9.9%	\$28.89	92	10.0%
2008	75	\$88.5 M	2.3%	\$1,246,156	\$35.16	8.7%	\$31.44	100	9.5%

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### LOGISTICS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2023	-	-	-	-	-	-	\$46.72	145	8.9%
2022	-	-	-	-	-	-	\$46.39	144	8.8%
2021	-	-	-	-	-	-	\$46.24	144	8.7%
2020	-	-	-	-	-	-	\$45.76	143	8.6%
2019	-	-	-	-	-	-	\$44.64	139	8.6%
YTD	76	\$109.6 M	3.2%	\$1,923,397	\$42.80	6.4%	\$44.45	138	8.6%
2018	115	\$222.1 M	7.2%	\$2,845,727	\$41.59	7.6%	\$44.65	139	8.4%
2017	115	\$179.8 M	5.9%	\$2,038,844	\$40.36	9.4%	\$41.03	128	8.5%
2016	113	\$188.4 M	6.2%	\$1,982,719	\$36.57	8.1%	\$39.31	122	8.6%
2015	147	\$231.7 M	7.7%	\$1,880,770	\$35.45	8.3%	\$37.54	117	8.7%
2014	104	\$144.9 M	5.5%	\$1,540,087	\$30.89	8.7%	\$35.63	111	8.9%
2013	110	\$134.8 M	5.2%	\$1,307,688	\$29.90	9.0%	\$33.65	105	9.0%
2012	112	\$97.5 M	3.3%	\$1,097,165	\$37.50	10.0%	\$32.73	102	9.2%
2011	70	\$97.5 M	2.9%	\$1,543,455	\$38.58	8.3%	\$31.30	97	9.4%
2010	63	\$31.0 M	1.1%	\$513,982	\$32.01	-	\$30.34	94	9.7%
2009	66	\$54.5 M	3.1%	\$862,580	\$19.75	8.2%	\$29.35	91	10.0%
2008	75	\$98.2 M	3.1%	\$1,364,022	\$35.97	7.5%	\$32.11	100	9.6%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

### FLEX SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2023	-	-	-	-	-	-	\$53.78	138	9.1%
2022	-	-	-	-	-	-	\$53.36	137	9.0%
2021	-	-	-	-	-	-	\$53.16	137	8.9%
2020	-	-	-	-	-	-	\$52.72	135	8.8%
2019	-	-	-	-	-	-	\$51.93	133	8.9%
YTD	33	\$38.0 M	2.8%	\$1,396,622	\$42.94	10.3%	\$51.99	134	8.8%
2018	62	\$75.7 M	5.0%	\$1,573,946	\$45.85	8.9%	\$52.24	134	8.6%
2017	47	\$58.0 M	4.1%	\$1,631,826	\$35.78	8.6%	\$49.29	127	8.6%
2016	45	\$57.6 M	3.2%	\$1,308,182	\$44.16	7.3%	\$47.63	122	8.6%
2015	39	\$41.9 M	3.8%	\$1,302,173	\$30.46	6.0%	\$45.80	118	8.7%
2014	43	\$54.6 M	4.0%	\$1,428,923	\$37.60	7.5%	\$43.59	112	8.9%
2013	35	\$37.9 M	2.7%	\$1,300,580	\$38.32	8.6%	\$41.22	106	9.0%
2012	40	\$41.6 M	3.1%	\$1,298,447	\$42.51	11.5%	\$39.91	103	9.2%
2011	19	\$13.9 M	1.1%	\$1,037,502	\$41.28	-	\$38.17	98	9.4%
2010	14	\$14.2 M	0.9%	\$1,173,450	\$37.95	11.2%	\$37.09	95	9.7%
2009	19	\$16.0 M	1.1%	\$943,159	\$38.38	6.0%	\$35.75	92	10.1%
2008	41	\$54.0 M	3.0%	\$1,345,592	\$45.25	7.9%	\$38.92	100	9.6%

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