

MARKET TRENDS

Q1 2021 | Milwaukee | Industrial

Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	755,176	▼
Area Unemployment	5.2	▲
U.S. Unemployment	6.2	▲
Manufacturing Jobs	113,900	▼

Source: BLS

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

Market Recap

All Properties

Total Inventory (sf)	368,819,765
Absorption	451,397
Vacancy	4.3%
Asking Rate (NNN)	\$5.91
Under Construction (sf)	4,827,952

Multi-tenant Properties

Total Inventory (sf)	85,332,427
Absorption	567,786
Vacancy	12.3%

Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Milwaukee metropolitan statistical area (MSA) increased 140 basis points to 5.2% compared to 3.8 in February 2020. The unemployment rate for the US was at 6.2% in February 2021, up from 3.5% last year. State of Wisconsin unemployment was 3.8% for this quarter. The Milwaukee MSA saw an decrease in job growth while manufacturing jobs also decreased by 4,200 jobs during the same period.

Market Overview

The Milwaukee Industrial market, consisting of 368 msf of space in eight counties across Southeastern Wisconsin. For all properties Southeastern Wisconsin posted over 451,000 sf positive while multi-tenant properties had 567,786 sf positive absorption. The first quarter finished with a vacancy rate of 4.3% for all inventory and 12.3% for multi-tenant properties. The average asking lease rate for Southeastern Wisconsin came in at \$5.91 psf NNN. To date, there are 19 properties totaling 4.8 msf of new construction projects throughout the market.

Market Highlights

Milwaukee County topped all counties in positive absorption with 360,000 sf as they had four of the top 6 increases led by Steeles Solutions leasing of 218,000 sf. The largest positive increase was Visual Pak leased 472,000 sf in Kenosha County. Waukesha County dropped the most with 276,000 sf negative absorption led by Quad Graphics vacating 389,000 sf. At the close of Q1 2021 the market had 76 lease transaction with over 1.6 msf sf of leasing activity. Four properties were delivered this quarter with 254,000 sf. Fifty five properties sold topping \$157 million and over 2.3 msf during Q1 2021.

Market Overview (Multi and Single Tenant)

Total

Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	216	9,264,991	1,000,994	566,920	7,310	7,310	6.1%
Manufacturing	2,243	180,204,566	5,067,974	3,659,133	139,839	139,839	2.0%
Warehouse Distribution	1,116	107,569,593	9,604,434	6,583,673	291,316	291,316	6.1%
Warehouse Office	1,941	71,780,615	7,038,753	4,913,878	12,932	12,932	6.8%
Grand Total	5,516	368,819,765	22,712,155	15,723,604	451,397	451,397	4.3%

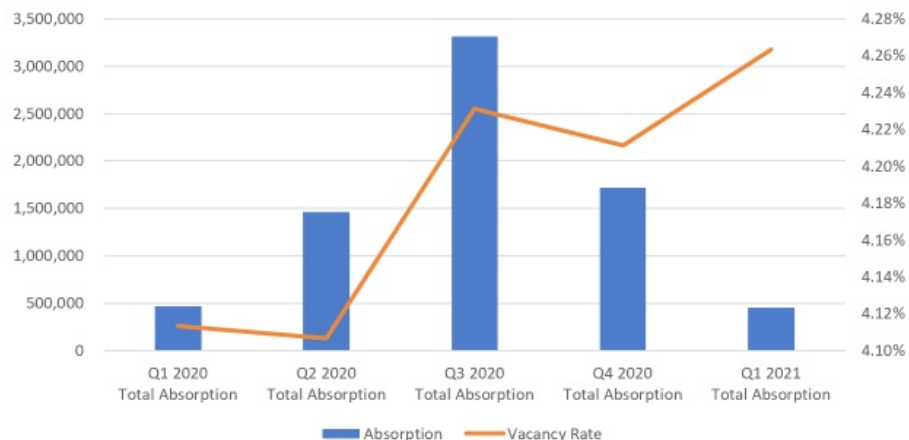
Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	216	9,264,991	937,851	515,159	(17,010)	(17,010)	5.6%
Manufacturing	2,243	180,204,566	4,899,674	3,498,833	139,839	139,839	1.9%
Warehouse Distribution	1,116	107,569,593	8,477,101	6,435,796	291,316	291,316	6.0%
Warehouse Office	1,941	71,780,615	6,728,098	4,837,835	12,932	12,932	6.7%
Grand Total	5,516	368,819,765	21,042,724	15,287,623	427,077	427,077	4.1%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	216	9,264,991	63,143	51,761	24,320	24,320	0.6%
Manufacturing	2,243	180,204,566	168,300	160,300	0	0	0.1%
Warehouse Distribution	1,116	107,569,593	1,127,333	147,877	0	0	0.1%
Warehouse Office	1,941	71,805,967	310,655	76,043	0	0	0.1%
Grand Total	5,516	368,845,117	1,669,431	435,981	24,320	24,320	0.1%

Absorption and Vacancy Rate



Market Statistics by County (Multi and Single Tenant)

County	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Kenosha	Flex/R&D	1	363,467	143,468		0	0	0.0%
	Manufacturing	110	8,591,420	383,333	422,186	(188,960)	(188,960)	4.9%
	Warehouse Distribution	89	24,818,373	1,682,540	1,527,118	477,981	477,981	6.2%
	Warehouse Office	66	3,971,049	83,300	22,134	0	0	0.6%
	Subtotal	266	37,744,309	2,292,641	1,971,438	289,021	289,021	5.2%
Milwaukee	Flex/R&D	45	2,272,481	362,512	285,423	8,675	8,675	12.6%
	Manufacturing	676	61,358,572	2,815,273	2,272,384	227,830	227,830	3.7%
	Warehouse Distribution	489	38,453,164	4,567,124	2,965,245	331,197	331,197	7.7%
	Warehouse Office	604	25,470,664	3,964,599	2,659,437	(207,359)	(207,359)	10.4%
	Subtotal	1,814	127,554,881	11,709,508	8,182,489	360,343	360,343	6.4%
Ozaukee	Flex/R&D	16	499,944	45,366	28,485	12,900	12,900	5.7%
	Manufacturing	133	9,407,199	426,926	258,971	(6,215)	(6,215)	2.8%
	Warehouse Distribution	18	1,716,267			0	0	0.0%
	Warehouse Office	59	2,618,996	593,883	461,383	5,726	5,726	17.6%
	Subtotal	226	14,242,406	1,066,175	748,839	12,411	12,411	5.3%
Racine	Flex/R&D	14	1,073,414	34,994	26,434	(8,960)	(8,960)	2.5%
	Manufacturing	188	16,770,998	286,866	157,994	19,400	19,400	0.9%
	Warehouse Distribution	104	11,423,696	951,845	746,189	(183,823)	(183,823)	6.5%
	Warehouse Office	128	5,574,641	741,018	755,187	24,480	24,480	13.5%
	Subtotal	434	34,842,749	2,014,723	1,685,804	(148,903)	(148,903)	4.8%
Sheboygan	Flex/R&D	1	30,720	10,000	10,000	0	0	32.6%
	Manufacturing	168	21,903,851	35,230		0	0	0.0%
	Warehouse Distribution	42	3,048,227			0	0	0.0%
	Warehouse Office	78	2,193,384	65,873	4,625	0	0	0.2%
	Subtotal	289	27,176,182	111,103	14,625	0	0	0.1%
Walworth	Flex/R&D	2	72,646			0	0	0.0%
	Manufacturing	130	9,707,863	98,400		0	0	0.0%
	Warehouse Distribution	37	2,304,273	142,260		100,000	100,000	0.0%
	Warehouse Office	62	2,579,786	60,294	93,610	48,960	48,960	3.6%
	Subtotal	231	14,664,568	300,954	93,610	148,960	148,960	0.6%
Washington	Flex/R&D	15	453,795	74,608		0	0	0.0%
	Manufacturing	234	14,082,426	202,123	66,941	(12,000)	(12,000)	0.5%
	Warehouse Distribution	83	8,213,635	1,152,692	435,648	77,888	77,888	5.3%
	Warehouse Office	172	6,118,359	309,163	197,573	0	0	3.2%
	Subtotal	504	28,868,215	1,738,586	700,162	65,888	65,888	2.4%
Waukesha	Flex/R&D	122	4,498,524	330,046	216,578	(5,305)	(5,305)	4.8%
	Manufacturing	604	38,382,237	819,823	480,657	99,784	99,784	1.3%
	Warehouse Distribution	254	17,591,958	1,107,973	909,473	(511,927)	(511,927)	5.2%
	Warehouse Office	772	23,253,736	1,220,623	719,929	141,125	141,125	3.1%
	Subtotal	1,752	83,726,455	3,478,465	2,326,637	(276,323)	(276,323)	2.8%
Grand Total		5,516	368,819,765	22,712,155	15,723,604	451,397	451,397	4.3%

Vacancy Rates by County (Multi and Single Tenant)

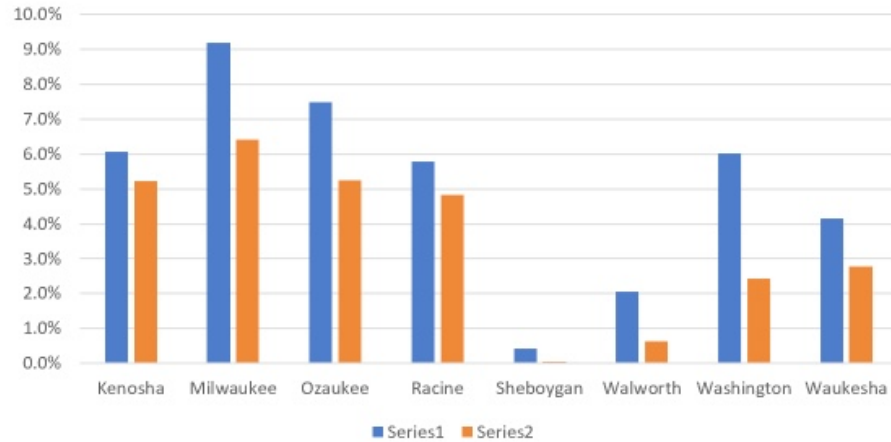
County	Property Type	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
		Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
Kenosha	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	1.0%	1.0%	1.0%	2.7%	4.9%
	Warehouse Distribution	9.3%	6.6%	6.8%	7.8%	6.2%
	Warehouse Office	0.2%	0.2%	0.5%	0.6%	0.6%
	Subtotal	6.3%	4.5%	4.7%	5.8%	5.2%
Milwaukee	Flex/R&D	14.0%	16.8%	13.6%	12.9%	12.6%
	Manufacturing	3.5%	3.7%	3.8%	4.1%	3.7%
	Warehouse Distribution	9.0%	9.0%	8.8%	8.6%	7.7%
	Warehouse Office	9.0%	10.0%	10.0%	9.6%	10.4%
	Subtotal	6.4%	6.8%	6.7%	6.7%	6.4%
Ozaukee	Flex/R&D	6.3%	10.6%	8.3%	8.3%	5.7%
	Manufacturing	1.7%	1.7%	1.7%	2.7%	2.8%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	18.4%	17.6%	17.9%	17.8%	17.6%
	Subtotal	4.7%	4.7%	4.7%	5.3%	5.3%
Racine	Flex/R&D	5.8%	5.8%	2.5%	1.6%	2.5%
	Manufacturing	1.4%	1.1%	1.1%	1.1%	0.9%
	Warehouse Distribution	7.1%	5.6%	5.8%	1.5%	6.5%
	Warehouse Office	13.5%	13.3%	13.3%	13.3%	13.5%
	Subtotal	5.4%	4.7%	4.7%	3.3%	4.8%
Sheboygan	Flex/R&D	0.0%	0.0%	0.0%	32.6%	32.6%
	Manufacturing	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	1.2%	1.2%	0.6%	0.2%	0.2%
	Subtotal	0.1%	0.1%	0.1%	0.1%	0.1%
Walworth	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	3.6%	4.5%	4.5%	4.7%	3.6%
	Subtotal	0.6%	0.8%	0.8%	0.8%	0.6%
Washington	Flex/R&D	6.4%	6.4%	0.8%	0.0%	0.0%
	Manufacturing	1.1%	0.4%	0.4%	0.4%	0.5%
	Warehouse Distribution	2.4%	4.8%	5.7%	6.3%	5.3%
	Warehouse Office	2.8%	2.8%	4.8%	3.2%	3.2%
	Subtotal	1.9%	2.2%	2.8%	2.7%	2.4%
Waukesha	Flex/R&D	4.6%	4.9%	4.7%	4.7%	4.8%
	Manufacturing	0.5%	0.7%	1.2%	1.3%	1.3%
	Warehouse Distribution	2.4%	2.8%	2.5%	2.3%	5.2%
	Warehouse Office	3.1%	3.4%	3.7%	3.7%	3.1%
	Subtotal	1.8%	2.1%	2.4%	2.4%	2.8%
Grand Total		4.1%	4.1%	4.2%	4.2%	4.3%

Lease Rates by County (Multi and Single Tenant)

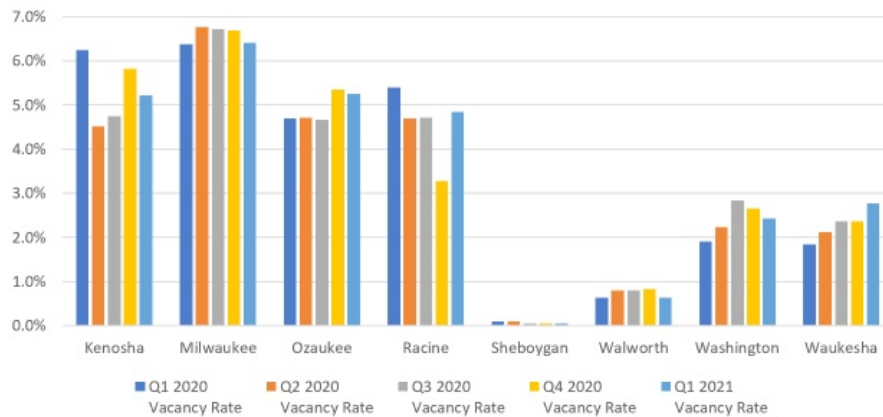
County	Property Type	Q1 2020 Lease Rate	Q2 2020 Lease Rate	Q3 2020 Lease Rate	Q4 2020 Lease Rate	Q1 2021 Lease Rate
Kenosha	Flex/R&D	\$3.85	\$3.85	\$3.85	\$3.85	\$3.85
	Manufacturing			\$3.50	\$4.75	\$5.00
	Warehouse Distribution	\$4.20	\$4.20	\$5.01	\$5.40	\$5.25
	Warehouse Office	\$7.38	\$7.38	\$7.38	\$7.38	\$7.38
	Subtotal	\$4.77	\$4.77	\$4.98	\$5.30	\$5.23
Milwaukee	Flex/R&D	\$6.62	\$6.81	\$6.62	\$6.62	\$7.02
	Manufacturing	\$4.59	\$4.58	\$4.30	\$4.41	\$4.04
	Warehouse Distribution	\$4.90	\$4.88	\$5.15	\$5.29	\$5.49
	Warehouse Office	\$4.99	\$5.01	\$4.98	\$5.11	\$5.65
	Subtotal	\$5.04	\$5.07	\$5.00	\$5.12	\$5.40
Ozaukee	Flex/R&D	\$8.58	\$8.58	\$8.05	\$8.31	\$8.10
	Manufacturing	\$4.25	\$4.25	\$4.25	\$4.25	\$3.77
	Warehouse Distribution					
	Warehouse Office	\$5.36	\$5.13	\$5.67	\$5.82	\$5.96
	Subtotal	\$6.22	\$6.09	\$6.54	\$6.75	\$6.20
Racine	Flex/R&D	\$3.70	\$3.70	\$3.70		\$6.98
	Manufacturing	\$5.50	\$5.00	\$5.00	\$5.25	\$4.00
	Warehouse Distribution	\$5.64	\$5.87	\$5.02	\$5.33	\$4.89
	Warehouse Office	\$4.93	\$4.93	\$4.93	\$4.50	\$4.88
	Subtotal	\$5.19	\$5.09	\$4.89	\$5.04	\$5.10
Sheboygan	Flex/R&D	\$4.75	\$4.75	\$4.75	\$4.75	\$4.75
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office	\$8.61	\$8.61	\$8.61	\$8.61	\$7.23
	Subtotal	\$7.33	\$7.33	\$7.33	\$7.33	\$5.99
Walworth	Flex/R&D					
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office	\$4.41	\$4.41	\$4.41	\$4.41	\$3.75
	Subtotal	\$4.41	\$4.41	\$4.41	\$4.41	\$3.75
Washington	Flex/R&D	\$5.98	\$5.73	\$4.35	\$3.75	\$5.75
	Manufacturing	\$5.24	\$5.24	\$5.06	\$4.95	\$4.38
	Warehouse Distribution					\$7.58
	Warehouse Office	\$5.91	\$6.24	\$6.24	\$6.41	\$7.12
	Subtotal	\$5.71	\$5.86	\$5.68	\$5.78	\$6.47
Waukesha	Flex/R&D	\$7.24	\$7.14	\$7.10	\$7.41	\$7.67
	Manufacturing	\$5.16	\$5.18	\$5.05	\$5.38	\$7.65
	Warehouse Distribution	\$5.79	\$5.51	\$5.36	\$5.36	\$5.71
	Warehouse Office	\$5.87	\$5.80	\$5.94	\$6.01	\$6.43
	Subtotal	\$6.05	\$5.95	\$5.99	\$6.18	\$6.86
Grand Total		\$5.50	\$5.44	\$5.41	\$5.56	\$5.91

Multi and Single Tenant

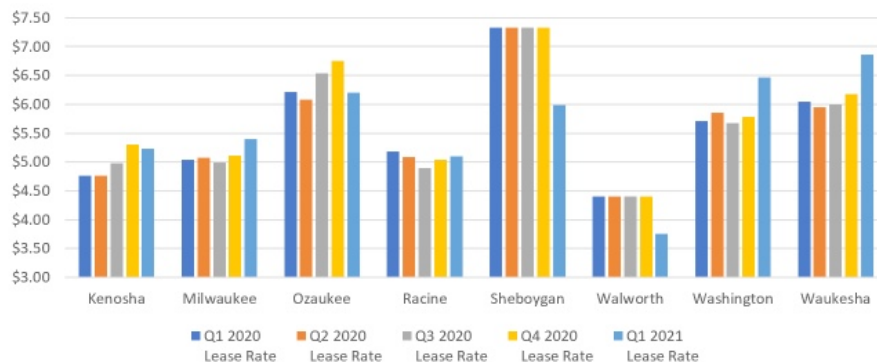
Available and Vacancy Rates



Vacancy Rate by Market



Lease Rates by Market (NNN)



Market Overview (Multi-Tenant)

Total

Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	164	6,734,094	908,693	489,586	52,310	52,310	7.3%
Manufacturing	128	14,013,085	1,690,802	1,212,940	54,315	54,315	8.7%
Warehouse Distribution	284	35,398,286	6,114,077	5,054,261	679,444	679,444	14.3%
Warehouse Office	582	29,186,962	4,996,460	3,729,061	(218,283)	(218,283)	12.8%
Grand Total	1,158	85,332,427	13,710,032	10,485,848	567,786	567,786	12.3%

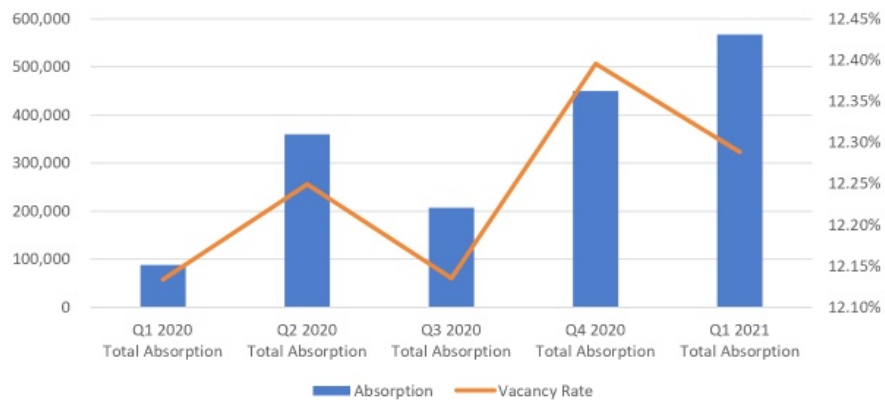
Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	164	6,734,094	847,950	440,225	27,990	27,990	6.5%
Manufacturing	128	14,013,085	1,682,802	1,212,940	54,315	54,315	8.7%
Warehouse Distribution	284	35,398,286	5,842,788	4,906,384	679,444	679,444	13.9%
Warehouse Office	582	29,186,962	4,859,484	3,653,018	(218,283)	(218,283)	12.5%
Grand Total	1,158	85,332,427	13,233,024	10,212,567	543,466	543,466	12.0%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	164	6,734,094	60,743	49,361	24,320	24,320	0.7%
Manufacturing	128	14,013,085	8,000		0	0	0.0%
Warehouse Distribution	284	35,398,286	271,289	147,877	0	0	0.4%
Warehouse Office	582	29,186,962	136,976	76,043	0	0	0.3%
Grand Total	1,158	85,332,427	477,008	273,281	24,320	24,320	0.3%

Absorption and Vacancy Rate



Market Statistics by County (Multi-Tenant)

County	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Kenosha	Flex/R&D	1	363,467	143,468		0	0	0.0%
	Manufacturing	5	793,348	102,118	51,059	0	0	6.4%
	Warehouse Distribution	24	6,151,520	1,539,364	1,383,942	497,798	497,798	22.5%
	Warehouse Office	18	1,562,607	83,300	22,134	0	0	1.4%
	Subtotal	48	8,870,942	1,868,250	1,457,135	497,798	497,798	16.4%
Milwaukee	Flex/R&D	35	1,705,860	287,578	210,489	53,675	53,675	12.3%
	Manufacturing	53	9,017,769	1,318,144	995,449	15,860	15,860	11.0%
	Warehouse Distribution	149	15,224,325	3,381,891	2,718,544	19,729	19,729	17.9%
	Warehouse Office	196	12,130,799	2,784,831	2,028,493	(280,920)	(280,920)	16.7%
	Subtotal	433	38,078,753	7,772,444	5,952,975	(191,656)	(191,656)	15.6%
Ozaukee	Flex/R&D	14	461,586	45,366	28,485	12,900	12,900	6.2%
	Manufacturing	7	713,766	98,956	111,956	0	0	15.7%
	Warehouse Distribution	5	673,069			0	0	0.0%
	Warehouse Office	23	1,382,653	571,983	442,073	5,726	5,726	32.0%
	Subtotal	49	3,231,074	716,305	582,514	18,626	18,626	18.0%
Racine	Flex/R&D	8	375,835	34,994	26,434	(8,960)	(8,960)	7.0%
	Manufacturing	8	796,094			0	0	0.0%
	Warehouse Distribution	27	5,429,724	781,392	590,345	(38,299)	(38,299)	10.9%
	Warehouse Office	30	2,409,875	675,305	675,305	24,480	24,480	28.0%
	Subtotal	73	9,011,528	1,491,691	1,292,084	(22,779)	(22,779)	14.3%
Sheboygan	Flex/R&D	1	30,720	10,000	10,000	0	0	32.6%
	Manufacturing	3	315,153			0	0	0.0%
	Warehouse Distribution	3	195,580			0	0	0.0%
	Warehouse Office	12	485,325	4,625	4,625	0	0	1.0%
	Subtotal	19	1,026,778	14,625	14,625	0	0	1.4%
Walworth	Flex/R&D	1	33,822			0	0	0.0%
	Manufacturing	3	55,984			0	0	0.0%
	Warehouse Distribution	6	406,178			100,000	100,000	0.0%
	Warehouse Office	11	619,734	40,294	25,000	0	0	4.0%
	Subtotal	21	1,115,718	40,294	25,000	100,000	100,000	2.2%
Washington	Flex/R&D	8	295,872	74,608		0	0	0.0%
	Manufacturing	20	790,273	114,421	32,301	0	0	4.1%
	Warehouse Distribution	12	2,123,437	141,000	141,000	95,000	95,000	6.6%
	Warehouse Office	49	1,726,452	272,565	187,573	0	0	10.9%
	Subtotal	89	4,936,034	602,594	360,874	95,000	95,000	7.3%
Waukesha	Flex/R&D	96	3,466,932	312,679	214,178	(5,305)	(5,305)	6.2%
	Manufacturing	29	1,530,698	57,163	22,175	38,455	38,455	1.4%
	Warehouse Distribution	58	5,194,453	270,430	220,430	5,216	5,216	4.2%
	Warehouse Office	243	8,869,517	563,557	343,858	32,431	32,431	3.9%
	Subtotal	426	19,061,600	1,203,829	800,641	70,797	70,797	4.2%
Grand Total		1,158	85,332,427	13,710,032	10,485,848	567,786	567,786	12.3%

Vacancy Rates by County (Multi-Tenant)

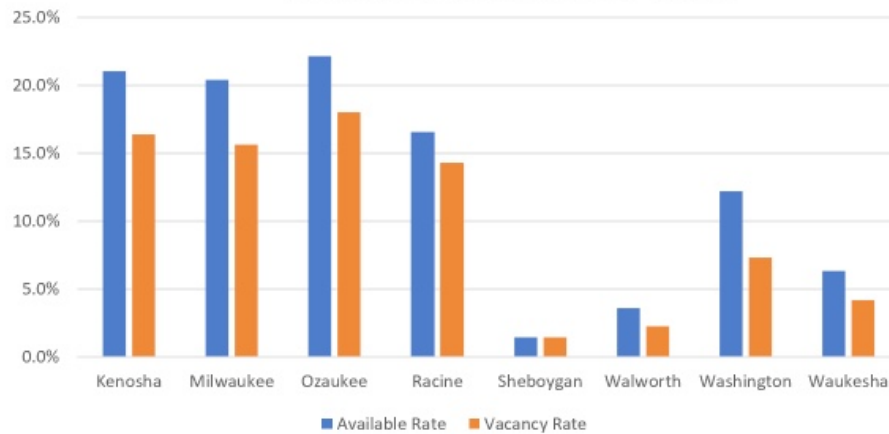
County	Property Type	Q1 2020 Vacancy Rate	Q2 2020 Vacancy Rate	Q3 2020 Vacancy Rate	Q4 2020 Vacancy Rate	Q1 2021 Vacancy Rate
Kenosha	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	6.4%	6.4%	6.4%	6.4%	6.4%
	Warehouse Distribution	17.2%	19.3%	19.3%	30.0%	22.5%
	Warehouse Office	0.5%	0.5%	1.3%	1.4%	1.4%
	Subtotal	12.1%	13.6%	13.7%	21.6%	16.4%
Milwaukee	Flex/R&D	16.9%	20.6%	16.3%	15.5%	12.3%
	Manufacturing	12.1%	12.1%	11.8%	11.2%	11.0%
	Warehouse Distribution	17.4%	17.3%	17.1%	18.0%	17.9%
	Warehouse Office	13.4%	15.9%	15.3%	14.4%	16.7%
	Subtotal	14.9%	15.8%	15.3%	15.1%	15.6%
Ozaukee	Flex/R&D	6.9%	11.5%	9.0%	9.0%	6.2%
	Manufacturing	15.7%	15.7%	15.7%	15.7%	15.7%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	33.4%	32.0%	32.5%	32.4%	32.0%
	Subtotal	18.7%	18.8%	18.6%	18.6%	18.0%
Racine	Flex/R&D	12.6%	12.6%	5.4%	4.6%	7.0%
	Manufacturing	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	15.3%	8.1%	8.7%	3.1%	10.9%
	Warehouse Office	29.6%	29.0%	29.0%	29.0%	28.0%
	Subtotal	18.0%	13.5%	13.6%	10.1%	14.3%
Sheboygan	Flex/R&D	0.0%	0.0%	0.0%	32.6%	32.6%
	Manufacturing	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	2.9%	2.9%	2.9%	1.0%	1.0%
	Subtotal	1.4%	1.4%	1.4%	1.4%	1.4%
Walworth	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	5.2%	5.2%	5.2%	4.0%	4.0%
	Subtotal	3.2%	3.2%	3.2%	2.5%	2.2%
Washington	Flex/R&D	9.8%	9.8%	1.2%	0.0%	0.0%
	Manufacturing	4.1%	4.1%	4.1%	4.1%	4.1%
	Warehouse Distribution	9.1%	9.1%	8.9%	11.1%	6.6%
	Warehouse Office	6.4%	6.4%	13.0%	10.9%	10.9%
	Subtotal	7.4%	7.4%	9.1%	9.2%	7.3%
Waukesha	Flex/R&D	5.9%	6.2%	6.1%	6.1%	6.2%
	Manufacturing	4.0%	4.0%	4.0%	4.0%	1.4%
	Warehouse Distribution	4.2%	4.5%	4.5%	4.3%	4.2%
	Warehouse Office	5.7%	5.4%	5.7%	4.2%	3.9%
	Subtotal	5.2%	5.2%	5.3%	4.6%	4.2%
Grand Total		12.1%	12.2%	12.1%	12.4%	12.3%

Lease Rates by County (Multi-Tenant)

County	Property Type	Q1 2020 Lease Rate	Q2 2020 Lease Rate	Q3 2020 Lease Rate	Q4 2020 Lease Rate	Q1 2021 Lease Rate
Kenosha	Flex/R&D	\$3.85	\$3.85	\$3.85	\$3.85	\$3.85
	Manufacturing					\$6.50
	Warehouse Distribution	\$4.75	\$4.75	\$5.37	\$5.37	\$5.37
	Warehouse Office	\$7.38	\$7.38	\$7.38	\$7.38	\$7.38
	Subtotal	\$5.18	\$5.18	\$5.45	\$5.45	\$5.60
Milwaukee	Flex/R&D	\$6.65	\$6.85	\$6.65	\$6.65	\$7.08
	Manufacturing	\$3.94	\$4.16	\$4.10	\$4.26	\$4.14
	Warehouse Distribution	\$5.37	\$5.33	\$5.76	\$5.65	\$5.68
	Warehouse Office	\$5.12	\$5.20	\$5.18	\$5.25	\$5.85
	Subtotal	\$5.21	\$5.33	\$5.35	\$5.41	\$5.76
Ozaukee	Flex/R&D	\$8.58	\$8.58	\$8.05	\$8.31	\$8.10
	Manufacturing	\$4.25	\$4.25			\$3.53
	Warehouse Distribution					
	Warehouse Office	\$5.36	\$5.13	\$5.67	\$5.82	\$6.14
	Subtotal	\$6.22	\$6.31	\$6.75	\$7.06	\$6.46
Racine	Flex/R&D					\$6.98
	Manufacturing					
	Warehouse Distribution	\$4.85	\$4.80	\$4.45	\$5.08	\$4.89
	Warehouse Office	\$3.67	\$3.67	\$3.67	\$3.67	\$4.17
	Subtotal	\$4.26	\$4.12	\$4.06	\$4.38	\$5.07
Sheboygan	Flex/R&D	\$4.75	\$4.75	\$4.75	\$4.75	\$4.75
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office	\$7.23	\$7.23	\$7.23	\$7.23	\$7.23
	Subtotal	\$5.99	\$5.99	\$5.99	\$5.99	\$5.99
Walworth	Flex/R&D					
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office	\$4.71	\$4.71	\$4.71	\$4.71	\$3.88
	Subtotal	\$4.71	\$4.71	\$4.71	\$4.71	\$3.88
Washington	Flex/R&D	\$5.98	\$5.73	\$4.35	\$3.75	\$5.75
	Manufacturing	\$4.58	\$4.58	\$4.58	\$4.58	\$4.67
	Warehouse Distribution					\$4.38
	Warehouse Office	\$6.33	\$6.76	\$6.76	\$6.62	\$7.47
	Subtotal	\$5.76	\$5.96	\$5.73	\$5.87	\$6.31
Waukesha	Flex/R&D	\$7.24	\$7.14	\$7.10	\$7.12	\$7.51
	Manufacturing	\$4.98	\$5.21	\$4.98	\$4.98	\$6.93
	Warehouse Distribution	\$5.55	\$5.21	\$5.21	\$5.02	\$5.08
	Warehouse Office	\$5.87	\$5.82	\$5.98	\$6.03	\$6.34
	Subtotal	\$6.16	\$6.02	\$6.07	\$6.15	\$6.74
Grand Total		\$5.63	\$5.62	\$5.65	\$5.72	\$6.09

Multi-Tenant

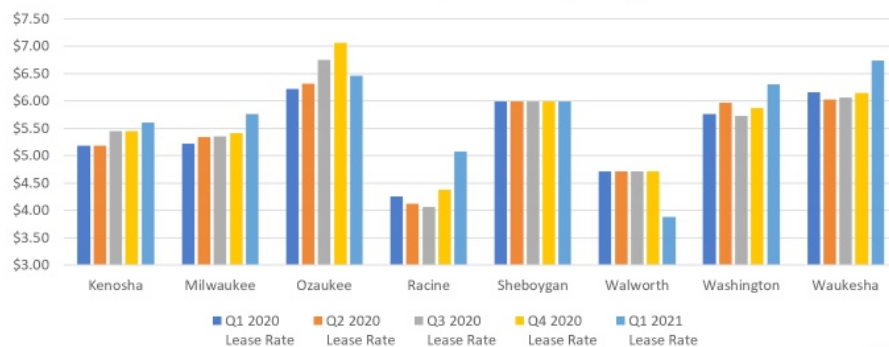
Available and Vacancy Rates



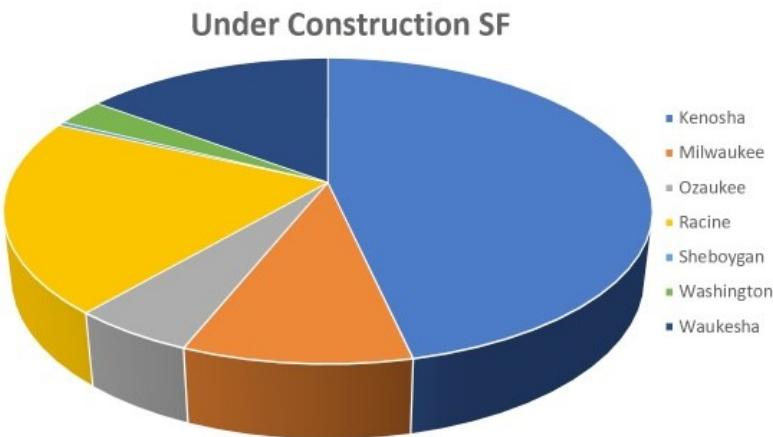
Vacancy Rate by Market



Lease Rates by Market (NNN)

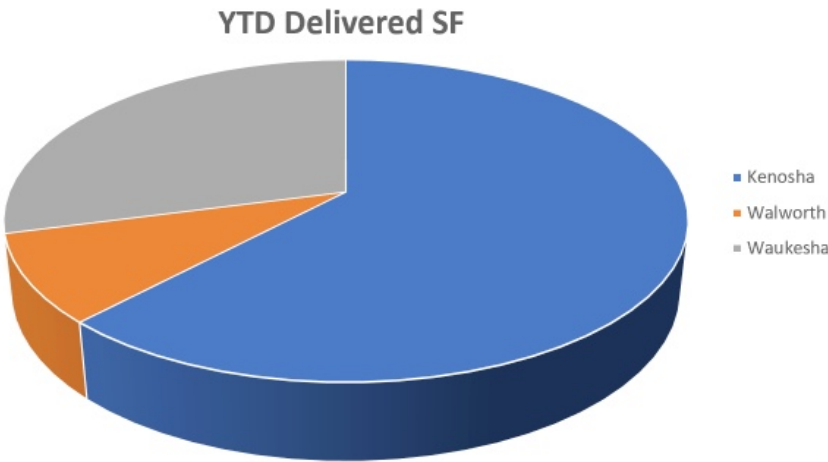


New Developments



County	Bldg SF
Kenosha	2,244,500
Milwaukee	464,000
Ozaukee	250,000
Racine	993,460
Sheboygan	20,200
Washington	139,037
Waukesha	716,755
Grand Total	4,827,952

Year to Date Deliveries



County	Bldg SF
Kenosha	157,656
Walworth	22,500
Waukesha	73,950
Grand Total	254,106

Leasing Activity

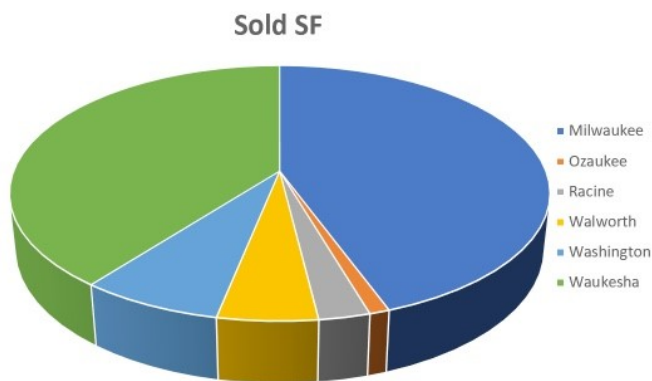
Property	Size (sf)	County	Tenant	Landlord
Bristol Highlands Commerce Center 136th Ave	472,176	Kenosha	Visual Pak	Bristol Highlands Industrial LLC
Bucyrus Business Center 1100 Milwaukee Ave	209,675	Milwaukee	Steeles Solutions	1100 Milwaukee Ave LLC
6800 N Teutonia Ave	69,400	Milwaukee	PFlow Industries	Megal Development Corp
Bucyrus Business Center 1100 Milwaukee Ave	69,128	Milwaukee	Dawn Equipment	1100 Milwaukee Ave LLC
N102 W19300 Willow Creek Way	48,500	Washington	Pregis	BV Ryan Willow Creek I Owner LLC



County	Leased SF
Kenosha	472,176
Milwaukee	609,446
Ozaukee	35,400
Racine	81,300
Walworth	14,000
Washington	107,273
Waukesha	299,702
Grand Total	1,619,297

Sales Activity

Property	Price	County	Buyer	Seller
Leonardo DRS, Inc.	\$67,713,000	Waukesha	WP Walleye, LLC	CT Menomonee Falls, LLC
5315-5317 S 3rd St	\$9,700,000	Milwaukee	Milwaukee Industrial Portfolio AB JJ, LLC; MIP JJ, LLC	MW Distribution Property, LLC
1400 N 113th St	\$6,950,000	Milwaukee	1400 North II, LLC	CMK 114th Street, LLC
6101 N 64th St	\$6,500,000	Milwaukee	CMK 64th Street, LLC; CMK W2 64th Street, LLC	T & M Industrial Properties, LLC
7020 W Parkland Ct	\$4,350,000	Milwaukee	Empower Properties, LLC	Parkland 7020, LLC



County	Sold SF
Milwaukee	1,059,289
Ozaukee	24,622
Racine	62,379
Walworth	121,700
Washington	174,020
Waukesha	943,136
Grand Total	2,385,146

Methodology

The Milwaukee market consists of all industrial existing buildings 10,000 sf or larger in Southeast Wisconsin. The geographic area includes Milwaukee, Waukesha, Ozaukee, Washington, Sheboygan, Walworth, Racine and Kenosha counties. Property types included in the tracked set consist of Flex/R&D, Manufacturing, Warehouse/Office and Warehouse/Distribution. The tracked set does not include self-storage facilities and non-conforming property types such as grain elevators or fuel storage facilities. Statistically, net absorption will be calculated based on when a lease is signed or space is vacated during the current quarter. Asking lease rates are based on an average asking rate and noted on a NNN basis.

The Milwaukee tracked set consists of an inventory of buildings considered to be competitive by the brokerage community. All buildings within the competitive tracked set have been reviewed and verified by members of the Advisory Boards for each market area.

Terminology

Direct Vacant (sf)	The total vacant square footage in a building marketed by an agent representing the landlord
Inventory	The total square footage (sf) of all tracked single and multi-tenant industrial buildings 10,000 sf or larger
Net Absorption	The net change in when a lease is signed or space is vacated from quarter to quarter, expressed in square feet
Property Type	The classification of a property based on the specific use
Sublease (sf)	Space available for lease by a tenant for part or all of a leased premises, with the original tenant retaining some right or interest under the original lease. Space is only considered vacant if unoccupied
Total Available (sf)	Total of all space within a building marketed for lease, which can be occupied or vacant, direct or sublease
Total Vacant (sf)	Total of all unoccupied space within a building marketed for lease, which can be direct or sublease
Average Asking Rate	The average asking lease rate expressed as a per square foot value in NNN terms

Advisory Board Members

CBRE	Scott Furmanski Trent Poole	Judson	Matt Judson Cole Russell
Colliers International	Kyle Fink Jim Larkin	Newmark Knight Frank	Mitchell Starczynski Luke Fehrenbach
Cushman & Wakefield Boerke	Nick Unger Cody Ziegler	Ogden	Brock Ferger Bob Gintoft
Founders 3	Brett Deter Paul McBride	Paradigm	Matt Friedman Brian Parrish
JLL	Joe Carollo Tony Haning	The Barry Company	Kevin Barry

Research Advisory Board Members

CBRE	Don Heckel	Founders 3	Caroline O'Donnell
Colliers International	Margaret Blair Joseph Wright	JLL	Tyler Hegwood
Cushman & Wakefield Boerke	Katie Gremban	Newmark Knight Frank	Nate Winkle

REDIComps Team

Chris Allen	Regional Director of Analytics	chris@redicomps.com	952-456-1669
Jeremy Bengston	CEO	jeremy@redicomps.com	
Anna Luepke-Bengston	Director of Sale Comps	anna@redicomps.com	
Kim Platz	Regional Director of Research	kim@redicomps.com	816-651-6686
Summer Jones	Listings Researcher	summer@redicomps.com	816-726-1133
Michelle Siegert	Listings Researcher	michelle@redicomps.com	816-230-0116
Tracy Johnson	President & CEO - CARW	tracy@carw.com	414-271-2021