

Market

Trends

Q2 2022

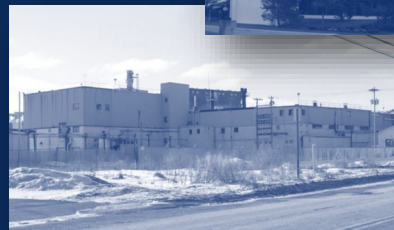
Milwaukee - Industrial



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MARKET TRENDS

Q2 2022 | Milwaukee | Industrial

Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	787,906	
Area Unemployment	3.4	
U.S. Unemployment	3.6	
Industrial Jobs	111,900	

Source: BLS

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

Market Recap

All Properties

Total Inventory (sf)	368,748,357
Total # of Bldgs (tracked)	5,362
Absorption	819,263
Vacancy	3.3%
Asking Rate (NNN)	\$5.98
New Construction (sf)	10,265,762

Multi-tenant Properties

Total Inventory (sf)	87,453,020
Total # of Bldgs (tracked)	1,180
Absorption	997,317
Vacancy	8.9%
Asking Rate (NNN)	\$5.98

Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Milwaukee metropolitan statistical area (MSA) decreased 150 basis points to 3.4% compared to 4.9% in May 2021. The unemployment rate for the US was at 3.6% in May 2022, down from 5.8% last year. State of Wisconsin unemployment was 2.9% for this quarter. The Milwaukee MSA saw an increase in job growth while manufacturing jobs also increased by 1,600 jobs during the same period.

Market Overview

The Milwaukee Industrial market consists of 368 msf of space in eight counties across Southeastern Wisconsin. For all properties, Southeastern Wisconsin posted over 819,000 sf positive absorption Q2 2022, with 2.069 msf positive absorption YTD. Multi-tenant properties had 997,000 sf positive absorption with YTD 1.347 msf positive absorption. The second quarter ended with a vacancy rate of 3.3% for all inventory and 8.9% for multi-tenant properties. The average asking lease rate for Southeastern Wisconsin came in at \$5.98 psf NNN. To date, there are 37 properties totaling 10.2 msf of new construction projects throughout the market. Sixteen properties with 4.7 msf were delivered year to date.

Market Highlights

Kenosha County topped all counties in positive absorption with 1.53 msf led by Uline leasing 757,000 sf and XPO Logistics leasing 396,000 sf. Milwaukee County posted the largest loss of 561,000 sf negative absorption when Journal Sentinel vacated 465,000 sf. At the close of Q2 2022 the market had 94 lease transaction with just over 3.0 msf of leasing activity. Fifty nine properties sold topping \$263 million and over 3.34 msf during Q2 2022.

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	291	13,108,963	1,155,168	961,531	(157,788)	102,578	7.3%
Manufacturing	2,187	177,367,385	4,009,713	3,899,231	(348,215)	(267,172)	2.2%
Warehouse Distribution	781	114,335,130	6,376,745	4,614,750	969,936	1,849,302	4.0%
Warehouse Office	2,103	63,936,879	5,176,031	2,806,649	355,330	384,284	4.4%
Grand Total	5,362	368,748,357	16,717,657	12,282,161	819,263	2,068,992	3.3%

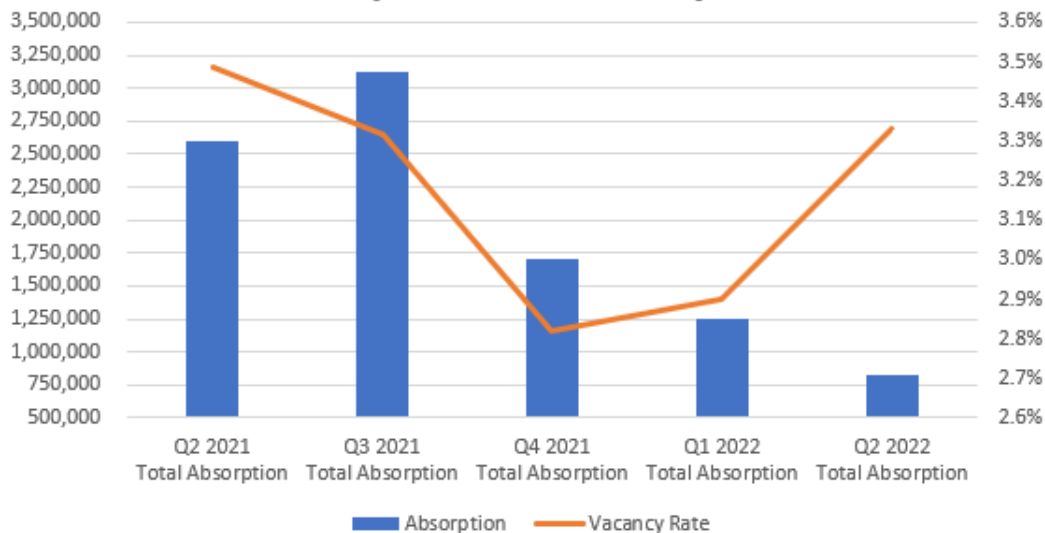
Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	291	13,108,963	1,111,740	942,322	(165,862)	69,897	7.2%
Manufacturing	2,187	177,367,385	4,009,713	3,899,231	(348,215)	(267,172)	2.2%
Warehouse Distribution	781	114,335,130	5,785,653	4,043,658	1,541,028	2,272,517	3.5%
Warehouse Office	2,103	63,936,879	5,128,537	2,802,649	355,330	388,284	4.4%
Grand Total	5,362	368,748,357	16,035,643	11,687,860	1,382,281	2,463,526	3.2%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	291	13,108,963	43,428	19,209	8,074	32,681	0.1%
Manufacturing	2,187	177,367,385			0	0	0.0%
Warehouse Distribution	781	114,335,130	591,092	571,092	(571,092)	(423,215)	0.5%
Warehouse Office	2,103	63,936,879	47,494	4,000	0	(4,000)	0.0%
Grand Total	5,362	368,748,357	682,014	594,301	(563,018)	(394,534)	0.2%

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	8	682,599	8,000	8,000	0	0	1.2%
	Manufacturing	103	7,830,168			0	0	0.0%
	Warehouse Distribution	93	31,173,937	1,425,767	1,572,058	1,531,561	2,018,791	5.0%
	Warehouse Office	69	2,782,134	334,027	14,134	0	0	0.5%
	Subtotal	273	42,468,838	1,767,794	1,594,192	1,531,561	2,018,791	3.8%
Milwaukee	Flex/R&D	60	3,177,381	685,720	631,119	(149,993)	(94,799)	19.9%
	Manufacturing	677	61,446,515	2,711,885	2,753,548	(457,169)	(549,774)	4.5%
	Warehouse Distribution	292	33,005,726	1,910,143	1,443,972	43,050	(13,085)	4.4%
	Warehouse Office	681	24,002,150	2,641,155	1,503,250	2,652	3,982	6.3%
	Subtotal	1,710	121,631,772	7,948,903	6,331,889	(561,460)	(653,676)	5.2%
Ozaukee	Flex/R&D	20	615,960	93,071	58,690	(4,182)	(4,182)	9.5%
	Manufacturing	118	9,041,752	319,820	301,576	28,800	194,478	3.3%
	Warehouse Distribution	17	2,244,601	6,001	6,001	0	(6,001)	0.3%
	Warehouse Office	66	2,557,124	82,045	62,045	309,307	414,323	2.4%
	Subtotal	221	14,459,437	500,937	428,312	333,925	598,618	3.0%
Racine	Flex/R&D	11	580,584	36,442	36,442	0	0	6.3%
	Manufacturing	191	17,482,634	25,014	163,608	0	0	0.9%
	Warehouse Distribution	76	12,641,030	1,485,876	682,061	(438,309)	(73,942)	5.4%
	Warehouse Office	139	4,634,544	474,208	467,660	0	0	10.1%
	Subtotal	417	35,338,792	2,021,540	1,349,771	(438,309)	(73,942)	3.8%
Sheboygan	Flex/R&D	1	30,720	5,080	10,080	0	0	32.8%
	Manufacturing	151	19,553,711	142,014	43,525	0	0	0.2%
	Warehouse Distribution	35	5,145,042	221,029		0	0	0.0%
	Warehouse Office	91	2,335,075	88,220		0	0	0.0%
	Subtotal	278	27,064,548	456,343	53,605	0	0	0.2%
Walworth	Flex/R&D	4	94,396			0	0	0.0%
	Manufacturing	124	9,541,727	207,554	30,500	(30,500)	(30,500)	0.3%
	Warehouse Distribution	29	2,788,545	259,500	146,900	0	0	5.3%
	Warehouse Office	74	2,135,317	87,662	40,000	0	10,000	1.9%
	Subtotal	231	14,559,985	554,716	217,400	(30,500)	(20,500)	1.5%
Washington	Flex/R&D	15	528,613	60,014		0	0	0.0%
	Manufacturing	234	14,903,960	110,234	95,174	26,250	101,250	0.6%
	Warehouse Distribution	73	9,392,874	629,997	532,954	(189,756)	(189,756)	5.7%
	Warehouse Office	174	4,343,801	307,893	179,575	9,771	23,278	4.1%
	Subtotal	496	29,169,248	1,108,138	807,703	(153,735)	(65,228)	2.8%
Waukesha	Flex/R&D	172	7,398,710	266,841	217,200	(3,613)	201,559	2.9%
	Manufacturing	589	37,566,918	493,192	511,300	84,404	17,374	1.4%
	Warehouse Distribution	166	17,943,375	438,432	230,804	23,390	113,295	1.3%
	Warehouse Office	809	21,146,734	1,160,821	539,985	33,600	(67,299)	2.6%
	Subtotal	1,736	84,055,737	2,359,286	1,499,289	137,781	264,929	1.8%
Grand Total		5,362	368,748,357	16,717,657	12,282,161	819,263	2,068,992	3.3%

Vacancy Rates by County (Multi and Single Tenant)

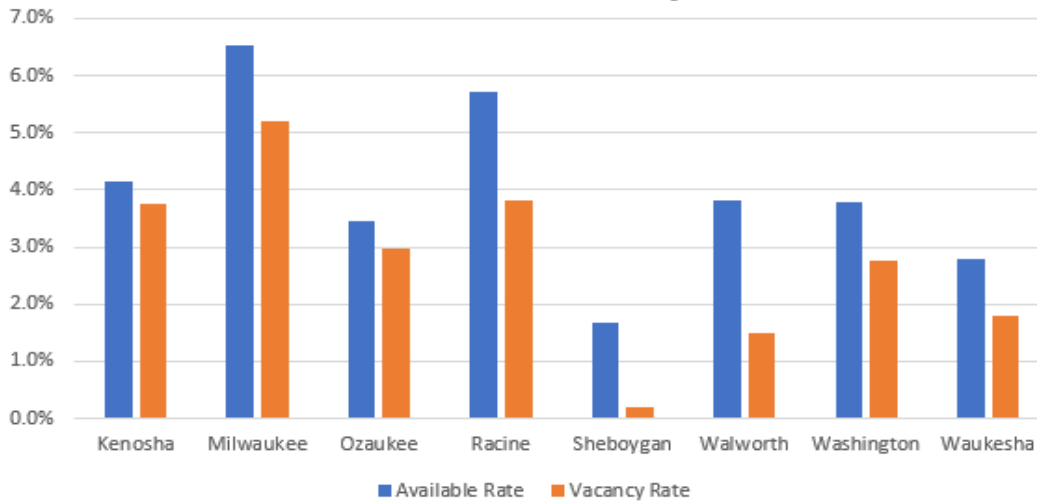
County	Property Type	Q2 2021 Vacancy Rate	Q3 2021 Vacancy Rate	Q4 2021 Vacancy Rate	Q1 2022 Vacancy Rate	Q2 2022 Vacancy Rate
Kenosha	Flex/R&D	1.2%	1.2%	1.2%	1.2%	1.2%
	Manufacturing	3.0%	2.7%	0.0%	0.0%	0.0%
	Warehouse Distribution	4.7%	4.4%	3.5%	3.5%	5.0%
	Warehouse Office	0.5%	0.5%	0.5%	0.5%	0.5%
	Subtotal	4.0%	3.8%	2.6%	2.6%	3.8%
Milwaukee	Flex/R&D	17.1%	17.1%	16.9%	15.1%	19.9%
	Manufacturing	3.3%	3.9%	3.5%	3.7%	4.5%
	Warehouse Distribution	4.8%	3.9%	3.3%	3.5%	4.4%
	Warehouse Office	7.2%	6.7%	6.3%	6.3%	6.3%
	Subtotal	4.8%	4.8%	4.4%	4.4%	5.2%
Ozaukee	Flex/R&D	4.5%	7.5%	8.3%	8.3%	9.5%
	Manufacturing	2.8%	3.3%	2.8%	3.7%	3.3%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.3%	0.3%
	Warehouse Office	20.2%	18.7%	18.6%	14.5%	2.4%
	Subtotal	5.7%	5.8%	5.4%	5.2%	3.0%
Racine	Flex/R&D	4.6%	2.5%	2.5%	2.5%	6.3%
	Manufacturing	0.9%	0.9%	0.9%	0.9%	0.9%
	Warehouse Distribution	6.2%	7.4%	2.3%	1.9%	5.4%
	Warehouse Office	11.8%	11.3%	10.1%	10.1%	10.1%
	Subtotal	4.4%	4.6%	2.6%	2.5%	3.8%
Sheboygan	Flex/R&D	32.8%	32.8%	32.8%	32.8%	32.8%
	Manufacturing	0.2%	0.2%	0.2%	0.2%	0.2%
	Warehouse Distribution	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Office	1.2%	1.2%	0.0%	0.0%	0.0%
	Subtotal	0.3%	0.3%	0.2%	0.2%	0.2%
Walworth	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	0.0%	0.0%	0.0%	0.0%	0.3%
	Warehouse Distribution	5.3%	5.3%	5.3%	5.3%	5.3%
	Warehouse Office	2.2%	2.3%	2.3%	1.9%	1.9%
	Subtotal	1.3%	1.4%	1.4%	1.3%	1.5%
Washington	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	0.4%	0.4%	0.8%	0.8%	0.6%
	Warehouse Distribution	3.6%	3.7%	3.7%	3.7%	5.7%
	Warehouse Office	4.7%	4.9%	4.7%	4.4%	4.1%
	Subtotal	2.1%	2.1%	2.3%	2.2%	2.8%
Waukesha	Flex/R&D	3.0%	3.1%	2.8%	2.9%	2.9%
	Manufacturing	1.7%	1.3%	1.4%	1.6%	1.4%
	Warehouse Distribution	4.8%	2.5%	1.9%	1.4%	1.3%
	Warehouse Office	1.2%	1.3%	1.2%	2.7%	2.6%
	Subtotal	2.4%	1.7%	1.6%	2.0%	1.8%
Grand Total		3.5%	3.3%	2.8%	2.9%	3.3%

Lease Rates by County (Multi and Single Tenant)

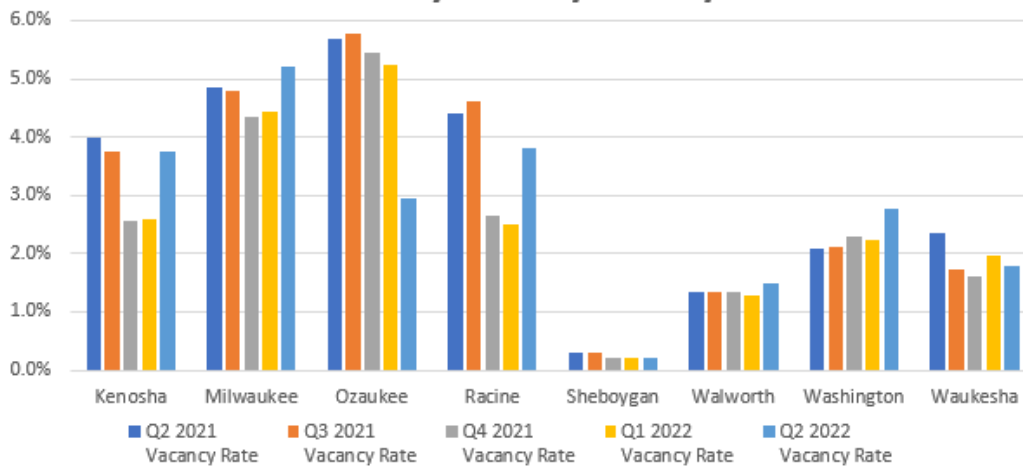
County	Property Type	Q2 2021 Lease Rate	Q3 2021 Lease Rate	Q4 2021 Lease Rate	Q1 2022 Lease Rate	Q2 2022 Lease Rate
Kenosha	Flex/R&D	\$5.61	\$5.61	\$5.61	\$5.61	\$7.38
	Manufacturing	\$4.50	\$4.00			
	Warehouse Distribution	\$5.15	\$5.15	\$5.06	\$5.25	\$5.25
	Warehouse Office					
	Subtotal	\$5.05	\$5.12	\$5.25	\$5.40	\$5.78
Milwaukee	Flex/R&D	\$6.71	\$6.74	\$6.78	\$7.16	\$6.91
	Manufacturing	\$4.51	\$4.34	\$4.43	\$4.59	\$4.52
	Warehouse Distribution	\$5.03	\$4.98	\$5.10	\$5.12	\$5.03
	Warehouse Office	\$5.41	\$5.11	\$4.92	\$4.98	\$5.39
	Subtotal	\$5.21	\$4.99	\$4.96	\$5.06	\$5.22
Ozaukee	Flex/R&D	\$9.21	\$9.00	\$8.17	\$8.17	\$8.22
	Manufacturing	\$4.00	\$4.00	\$4.00	\$4.63	\$4.63
	Warehouse Distribution				\$5.50	\$5.50
	Warehouse Office	\$6.18	\$5.97	\$6.36	\$6.44	\$7.63
	Subtotal	\$6.95	\$6.68	\$6.97	\$6.78	\$7.11
Racine	Flex/R&D					\$11.25
	Manufacturing	\$4.46	\$4.62	\$5.18	\$6.00	\$6.00
	Warehouse Distribution	\$5.09	\$5.09	\$5.29	\$5.12	\$5.46
	Warehouse Office	\$5.25	\$5.25			
	Subtotal	\$4.92	\$5.00	\$5.25	\$5.34	\$6.52
Sheboygan	Flex/R&D	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office					
	Subtotal	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85
Walworth	Flex/R&D					
	Manufacturing	\$2.75	\$2.75	\$2.75	\$4.00	\$4.00
	Warehouse Distribution			\$4.50	\$4.50	\$4.50
	Warehouse Office	\$3.50	\$3.50	\$3.50		\$6.75
	Subtotal	\$3.13	\$3.13	\$3.58	\$4.17	\$5.20
Washington	Flex/R&D	\$5.75	\$5.75	\$5.75	\$5.75	\$6.58
	Manufacturing	\$3.63	\$4.55	\$4.44	\$4.44	\$4.44
	Warehouse Distribution	\$5.25	\$5.25	\$5.25	\$5.25	\$5.00
	Warehouse Office	\$6.25	\$6.10	\$6.02	\$6.24	\$6.42
	Subtotal	\$5.67	\$5.55	\$5.56	\$5.61	\$5.90
Waukesha	Flex/R&D	\$7.33	\$7.50	\$7.65	\$7.32	\$7.58
	Manufacturing	\$6.03	\$5.88	\$5.84	\$5.68	\$5.38
	Warehouse Distribution	\$5.39	\$5.44	\$5.68	\$5.86	\$6.63
	Warehouse Office	\$6.37	\$6.46	\$6.40	\$6.41	\$7.13
	Subtotal	\$6.55	\$6.67	\$6.74	\$6.61	\$7.15
Grand Total		\$5.64	\$5.57	\$5.63	\$5.69	\$5.98

Multi and Single Tenant

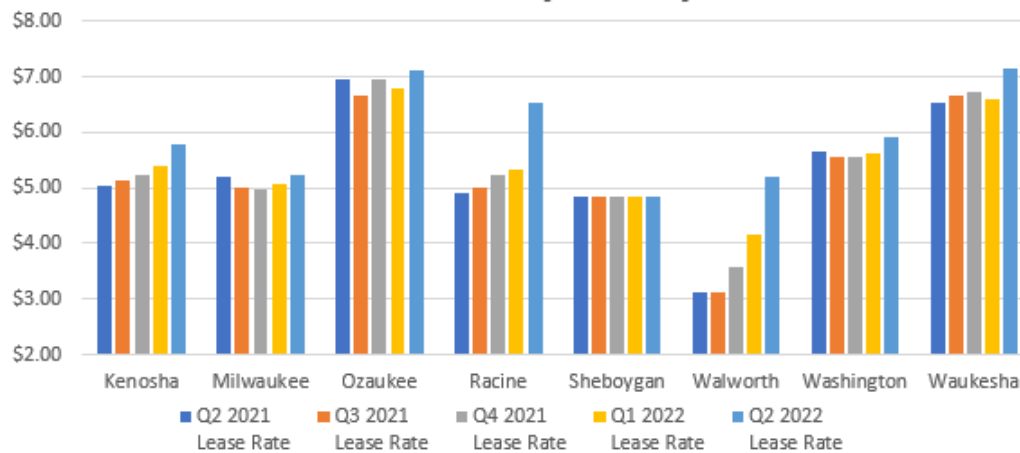
Available and Vacancy Rates



Vacancy Rate by County



Lease Rates by County (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	230	9,954,659	960,434	766,797	7,012	52,378	7.7%
Manufacturing	166	18,290,702	1,545,401	1,544,924	(17,372)	(4,698)	8.4%
Warehouse Distribution	219	35,783,121	4,219,370	3,073,055	677,559	995,574	8.6%
Warehouse Office	565	23,424,538	3,634,821	2,377,145	330,118	304,093	10.1%
Grand Total	1,180	87,453,020	10,360,026	7,761,921	997,317	1,347,347	8.9%

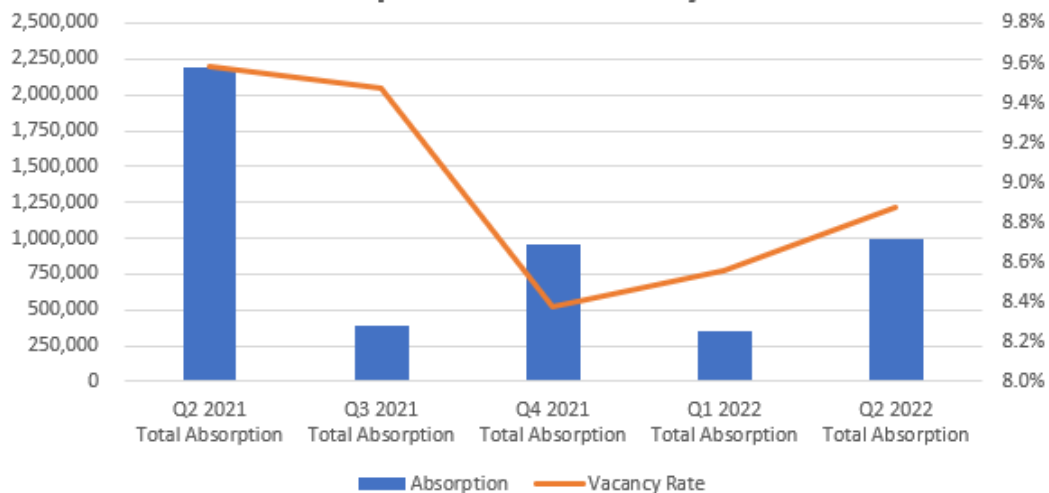
Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	230	9,954,659	917,006	747,588	(1,062)	19,697	7.5%
Manufacturing	166	18,290,702	1,545,401	1,544,924	(17,372)	(4,698)	8.4%
Warehouse Distribution	219	35,783,121	4,181,570	3,055,255	695,359	865,497	8.5%
Warehouse Office	565	23,424,538	3,587,327	2,373,145	330,118	308,093	10.1%
Grand Total	1,180	87,453,020	10,231,304	7,720,912	1,007,043	1,188,589	8.8%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	230	9,954,659	43,428	19,209	8,074	32,681	0.2%
Manufacturing	166	18,290,702			0	0	0.0%
Warehouse Distribution	219	35,783,121	37,800	17,800	(17,800)	130,077	0.0%
Warehouse Office	565	23,424,538	47,494	4,000	0	(4,000)	0.0%
Grand Total	1,180	87,453,020	128,722	41,009	(9,726)	158,758	0.0%

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	7	652,311	8,000	8,000	0	0	1.2%
	Manufacturing	5	1,120,945			0	0	0.0%
	Warehouse Distribution	29	8,784,984	1,425,767	1,468,011	524,831	786,244	16.7%
	Warehouse Office	11	657,354	304,280	14,134	0	0	2.2%
	Subtotal	52	11,215,594	1,738,047	1,490,145	524,831	786,244	13.3%
Milwaukee	Flex/R&D	47	2,357,695	490,986	436,385	14,807	70,001	18.5%
	Manufacturing	69	10,185,297	1,096,568	1,202,385	(17,372)	(7,372)	11.8%
	Warehouse Distribution	97	12,740,129	1,574,325	1,078,629	36,338	67,378	8.5%
	Warehouse Office	201	10,667,804	2,052,697	1,209,530	(24,900)	(20,596)	11.3%
	Subtotal	414	35,950,925	5,214,576	3,926,929	8,873	109,411	10.9%
Ozaukee	Flex/R&D	18	577,602	93,071	58,690	(4,182)	(4,182)	10.2%
	Manufacturing	9	1,021,129	98,956	98,956	0	3,800	9.7%
	Warehouse Distribution	3	570,235	6,001	6,001	0	(6,001)	1.1%
	Warehouse Office	18	1,091,382	65,985	45,985	309,307	315,591	4.2%
	Subtotal	48	3,260,348	264,013	209,632	305,125	309,208	6.4%
Racine	Flex/R&D	6	262,422	36,442	36,442	0	0	13.9%
	Manufacturing	11	1,291,078	5,614	5,614	0	0	0.4%
	Warehouse Distribution	25	5,067,403	490,116	238,060	0	41,367	4.7%
	Warehouse Office	26	1,499,294	474,208	467,660	0	0	31.2%
	Subtotal	68	8,120,197	1,006,380	747,776	0	41,367	9.2%
Sheboygan	Flex/R&D	1	30,720	5,080	10,080	0	0	32.8%
	Manufacturing	8	739,874			0	0	0.0%
	Warehouse Distribution	3	725,595	221,029		0	0	0.0%
	Warehouse Office	12	434,146			0	0	0.0%
	Subtotal	24	1,930,335	226,109	10,080	0	0	0.5%
Walworth	Flex/R&D	3	55,027			0	0	0.0%
	Manufacturing	3	82,001	40,294		0	0	0.0%
	Warehouse Distribution	4	376,245			0	0	0.0%
	Warehouse Office	9	408,412	25,000	25,000	0	0	6.1%
	Subtotal	19	921,685	65,294	25,000	0	0	2.7%
Washington	Flex/R&D	10	429,042	60,014		0	0	0.0%
	Manufacturing	17	674,002	59,000	39,000	0	0	5.8%
	Warehouse Distribution	13	2,440,352	81,550	51,550	93,000	93,000	2.1%
	Warehouse Office	55	1,576,593	198,870	153,915	9,771	8,758	9.8%
	Subtotal	95	5,119,989	399,434	244,465	102,771	101,758	4.8%
Waukesha	Flex/R&D	138	5,589,840	266,841	217,200	(3,613)	(13,441)	3.9%
	Manufacturing	44	3,176,376	244,969	198,969	0	(1,126)	6.3%
	Warehouse Distribution	45	5,078,178	420,582	230,804	23,390	13,586	4.5%
	Warehouse Office	233	7,089,553	513,781	460,921	35,940	340	6.5%
	Subtotal	460	20,933,947	1,446,173	1,107,894	55,717	(641)	5.3%
Grand Total		1,180	87,453,020	10,360,026	7,761,921	997,317	1,347,347	8.9%

Vacancy Rates by County (Multi-Tenant)

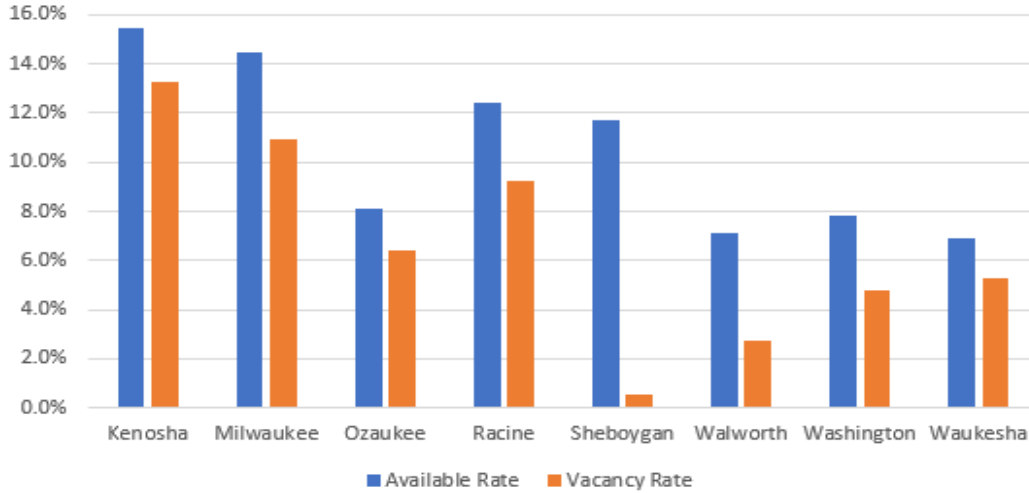
County	Property Type	Q2 2021 Vacancy Rate	Q3 2021 Vacancy Rate	Q4 2021 Vacancy Rate	Q1 2022 Vacancy Rate	Q2 2022 Vacancy Rate
Kenosha	Flex/R&D	1.2%	1.2%	1.2%	1.2%	1.2%
	Manufacturing	4.6%	4.6%	0.0%	0.0%	0.0%
	Warehouse Distribution	14.8%	14.8%	12.7%	12.8%	16.7%
	Warehouse Office	2.1%	2.1%	2.1%	2.1%	2.2%
	Subtotal	11.9%	11.9%	9.8%	10.0%	13.3%
Milwaukee	Flex/R&D	21.6%	21.8%	21.5%	19.1%	18.5%
	Manufacturing	8.4%	11.4%	11.5%	11.6%	11.8%
	Warehouse Distribution	11.0%	8.4%	6.4%	6.1%	8.5%
	Warehouse Office	12.9%	11.2%	11.1%	11.1%	11.3%
	Subtotal	11.5%	11.0%	10.2%	10.0%	10.9%
Ozaukee	Flex/R&D	4.8%	8.0%	8.8%	8.8%	10.2%
	Manufacturing	11.0%	11.3%	10.1%	9.7%	9.7%
	Warehouse Distribution	0.0%	0.0%	0.0%	1.1%	1.1%
	Warehouse Office	37.1%	32.4%	33.1%	32.6%	4.2%
	Subtotal	17.2%	16.2%	15.9%	15.7%	6.4%
Racine	Flex/R&D	10.1%	5.5%	5.5%	5.5%	13.9%
	Manufacturing	0.4%	0.4%	0.4%	0.4%	0.4%
	Warehouse Distribution	11.5%	14.9%	5.5%	4.7%	4.7%
	Warehouse Office	30.2%	31.2%	31.2%	31.2%	31.2%
	Subtotal	13.4%	15.3%	9.4%	8.9%	9.2%
Sheboygan	Flex/R&D	32.8%	32.8%	32.8%	32.8%	32.8%
	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	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	0.5%	0.5%	0.5%	0.5%	0.5%
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	4.3%	6.1%	6.1%	6.1%	6.1%
	Subtotal	2.3%	2.7%	2.7%	2.7%	2.7%
Washington	Flex/R&D	0.0%	0.0%	0.0%	0.0%	0.0%
	Manufacturing	5.6%	5.8%	5.8%	5.8%	5.8%
	Warehouse Distribution	5.9%	5.9%	5.9%	5.9%	2.1%
	Warehouse Office	11.3%	11.8%	10.3%	10.4%	9.8%
	Subtotal	7.0%	7.2%	6.8%	6.8%	4.8%
Waukesha	Flex/R&D	3.9%	4.0%	3.6%	3.8%	3.9%
	Manufacturing	1.0%	0.8%	6.2%	6.3%	6.3%
	Warehouse Distribution	7.7%	6.7%	4.8%	5.0%	4.5%
	Warehouse Office	2.9%	3.6%	3.5%	6.9%	6.5%
	Subtotal	4.0%	4.0%	4.3%	5.5%	5.3%
Grand Total		9.6%	9.5%	8.4%	8.6%	8.9%

Lease Rates by County (Multi-Tenant)

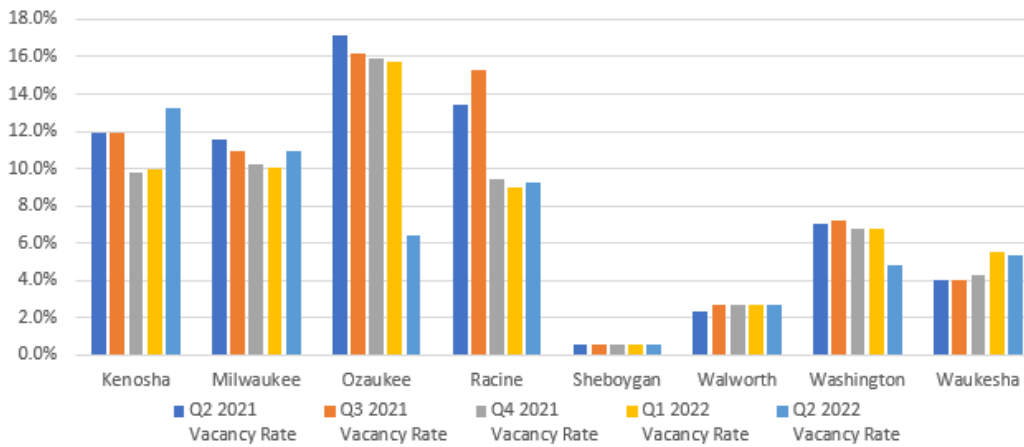
County	Property Type	Q2 2021 Lease Rate	Q3 2021 Lease Rate	Q4 2021 Lease Rate	Q1 2022 Lease Rate	Q2 2022 Lease Rate
Kenosha	Flex/R&D	\$5.61	\$5.61	\$5.61	\$5.61	\$7.38
	Manufacturing					
	Warehouse Distribution	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25
	Warehouse Office					
	Subtotal	\$5.40	\$5.40	\$5.40	\$5.40	\$5.78
Milwaukee	Flex/R&D	\$6.76	\$6.80	\$6.86	\$7.31	\$7.02
	Manufacturing	\$4.11	\$4.08	\$4.17	\$4.04	\$4.16
	Warehouse Distribution	\$4.87	\$4.78	\$4.88	\$4.90	\$4.88
	Warehouse Office	\$5.35	\$4.90	\$4.90	\$4.83	\$4.85
	Subtotal	\$5.20	\$4.92	\$4.96	\$4.95	\$4.94
Ozaukee	Flex/R&D	\$9.21	\$9.00	\$8.17	\$8.17	\$8.22
	Manufacturing					
	Warehouse Distribution				\$5.50	\$5.50
	Warehouse Office	\$6.18	\$5.81	\$6.26	\$6.33	\$8.50
	Subtotal	\$7.32	\$7.01	\$7.32	\$7.26	\$7.87
Racine	Flex/R&D					\$11.25
	Manufacturing	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
	Warehouse Distribution	\$4.89	\$4.89	\$5.29	\$5.12	\$5.46
	Warehouse Office					
	Subtotal	\$5.05	\$5.05	\$5.43	\$5.34	\$6.52
Sheboygan	Flex/R&D	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office					
	Subtotal	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85
Walworth	Flex/R&D					
	Manufacturing	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75
	Warehouse Distribution					
	Warehouse Office					
	Subtotal	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75
Washington	Flex/R&D	\$5.75	\$5.75	\$5.75	\$5.75	\$6.58
	Manufacturing	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63
	Warehouse Distribution	\$5.25	\$5.25	\$5.25	\$5.25	\$5.00
	Warehouse Office	\$6.80	\$6.51	\$6.33	\$6.47	\$6.67
	Subtotal	\$5.75	\$5.70	\$5.66	\$5.68	\$6.06
Waukesha	Flex/R&D	\$7.12	\$7.31	\$7.45	\$7.32	\$7.58
	Manufacturing	\$5.95	\$5.95	\$5.95	\$5.95	\$5.95
	Warehouse Distribution	\$5.38	\$5.39	\$5.69	\$6.02	\$6.63
	Warehouse Office	\$6.37	\$6.42	\$6.37	\$6.23	\$7.43
	Subtotal	\$6.57	\$6.67	\$6.80	\$6.74	\$7.32
Grand Total		\$5.74	\$5.64	\$5.74	\$5.75	\$5.98

Multi-Tenant

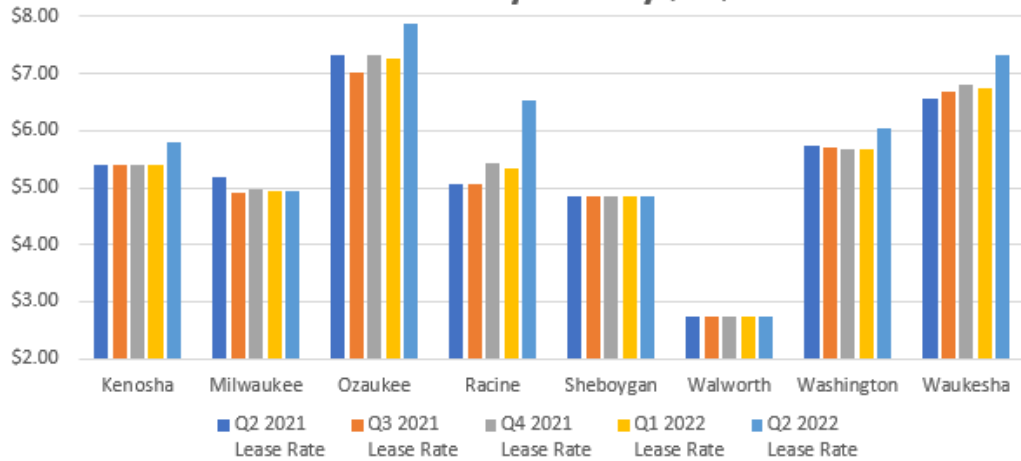
Available and Vacancy Rates



Vacancy Rate by County

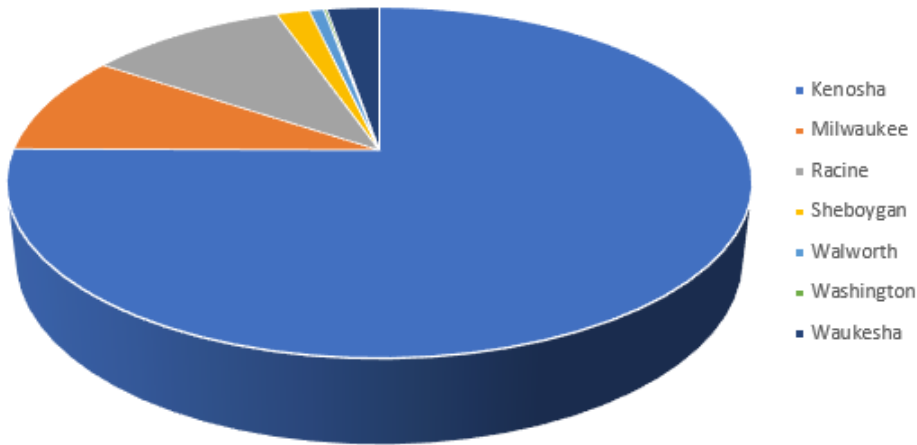


Lease Rates by County (NNN)



New Developments

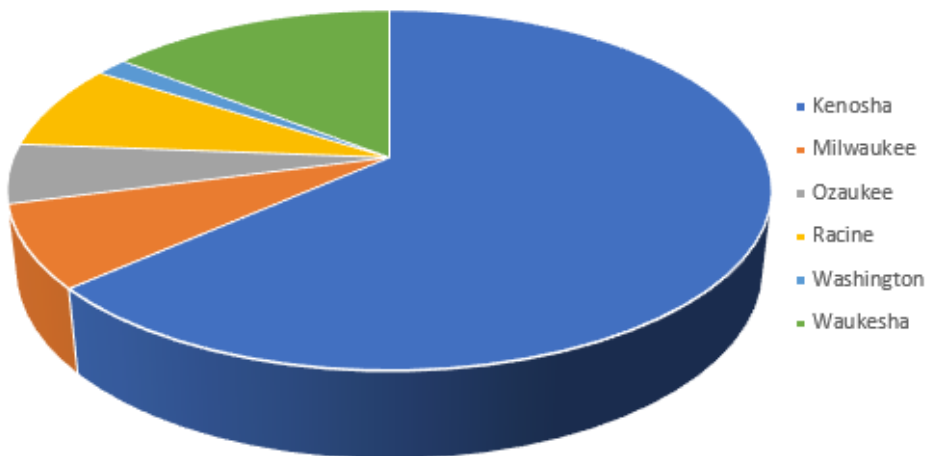
Under Construction



County	Bldg (sf)
Kenosha	7,710,877
Milwaukee	946,780
Racine	1,058,679
Sheboygan	175,200
Walworth	78,000
Washington	16,420
Waukesha	279,806
Grand Total	10,265,762

Year to Date Deliveries

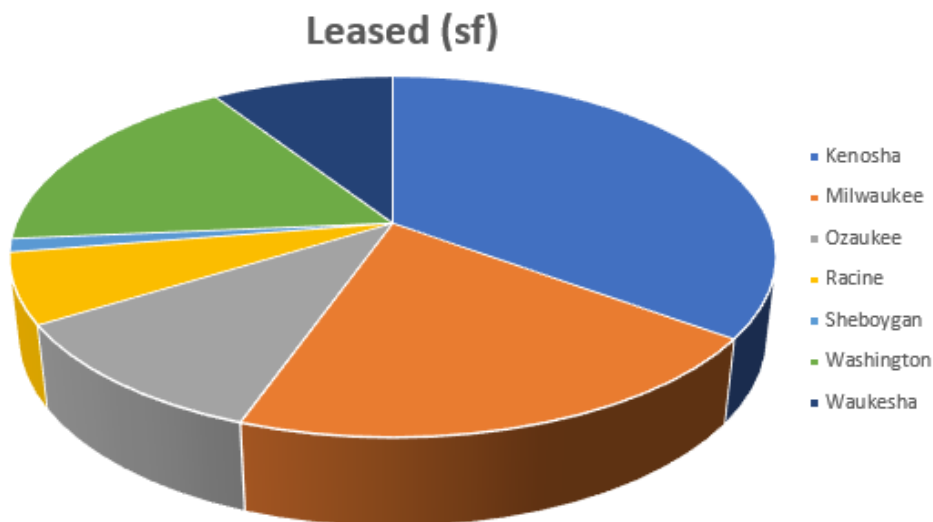
YTD New Deliveries



County	Bldg (sf)
Kenosha	2,976,445
Milwaukee	348,500
Ozaukee	250,000
Racine	362,080
Washington	75,000
Waukesha	677,718
Grand Total	4,689,743

Leasing Activity

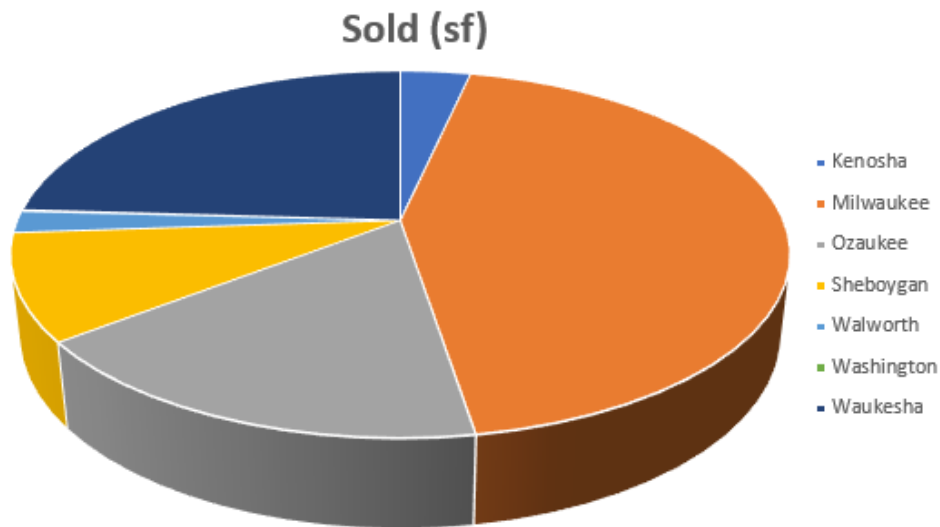
Property	Size (sf)	County	Tenant	Landlord
Heartland 94 Logistics Center 8311 38th ST	757,418	Kenosha	Uline	NP Kenosha Industrial LLC
Zilber Industrial I 12800 Holy Hill Rd	224,640	Washington	Kohler	Zilber Property Group
Zilber Industrial II 12805 Holy Hill Rd	198,648	Washington	Smart Warehousing, LLC	ZPG Development LLC
94 Logistics Park Bldg 2 1445 International Dr	128,323	Kenosha	HH Associates US Inc	Ridge Kenosha 120th LLC
	115,484	Racine	BRP USA	HS Fund VI ZL Portfolio Investors LLC



County	Leased (sf)
Kenosha	1,060,027
Milwaukee	613,935
Ozaukee	324,307
Racine	189,330
Sheboygan	36,220
Washington	520,575
Waukesha	276,569
Grand Total	3,020,963

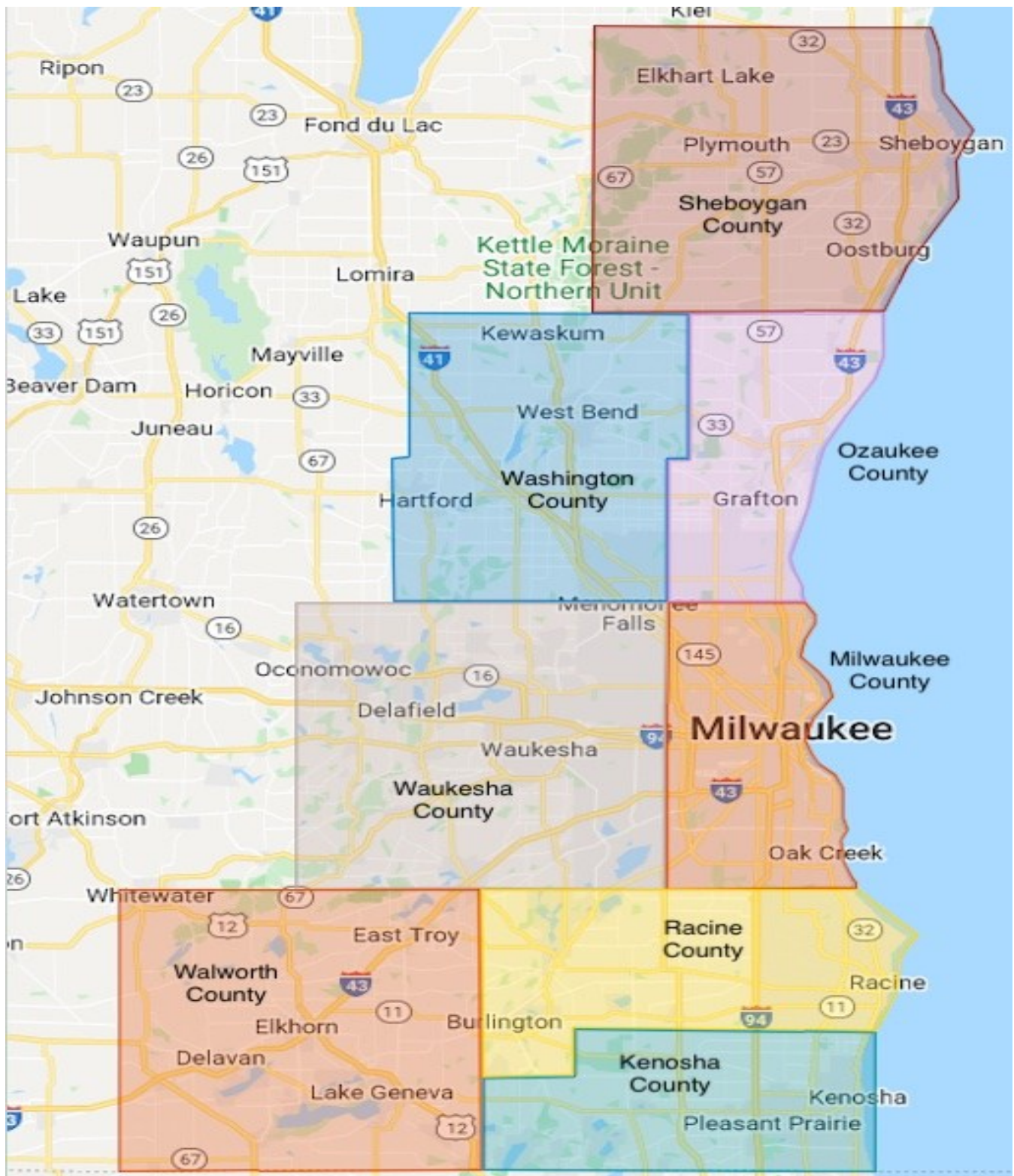
Sales Activity

Property	Price	County	Buyer	Seller
6400 W Enterprise Dr	\$48,015,000	Ozaukee	RA Mequon Fee Owner, LLC	FFII Mequon, LLC
W226 N918 Northmound Dr	\$20,800,000	Waukesha	EG Milwaukee Northmound, LLC	BBC Northmound, LLC
ClearHome Self Storage 11100 WCleveland Ave	\$19,000,000	Milwaukee	ACPF-EXR JV SubCleveland Avenue West Allis, WI	West Allis Self Storage, LLC
520 Wolf Rd	\$16,000,000	Sheboygan	AICV S Heart Wolf, LLC	Krier Foods, LLC
2100 Ridgeview Parkway Ct	\$14,850,000	Waukesha	Larger Ridgeview, LLC	Ridgeview V Associates, LLC; Delay Ridgeview, LLC



County	Sold (sf)
Kenosha	116,227
Milwaukee	1,469,191
Ozaukee	571,976
Sheboygan	313,416
Walworth	64,220
Washington	4,277
Waukesha	803,872
Grand Total	3,343,179

Market County Map



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. For new construction the new lease will be captured when the construction has been completed.
Property Type	The classification of a property based on the specific use
Sublease (sf)	Space available for lease by a tenant for part or all of a leased premises, with the original tenant retaining some right or interest under the original lease. Space is only considered vacant if unoccupied
Total Available (sf)	Total of all space within a building marketed for lease, which can be occupied or vacant, direct or sublease
Total Vacant (sf)	Total of all unoccupied space within a building marketed for lease, which can be direct or sublease
Average Asking Rate	The average asking lease rate expressed as a per square foot value in NNN terms

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REDIComps Team

Chris Allen	Regional Director of Analytics	chris@redicomps.com	952-456-1669
Jeremy Bengtson	CEO	jeremy@redicomps.com	
Anna Luepke-Bengtson	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
Molly Bengtson	Director of Client Services	molly@redicomps.com	715-475-9876
Tracy Johnson	President & CEO - CARW	tracy@carw.com	414-271-2021