

Market

# Trends

**Q2** 2022

Milwaukee - Office



**REDI**

MOODY'S  
ANALYTICS

Catylist



# MARKET TRENDS

Q2 2022 | Milwaukee | Office

## Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	787,906	▲
Area Unemployment	3.4	▼
U.S. Unemployment	3.6	▼
Office Using Jobs	180,900	▲

Source: BLS

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

## Market Recap

### All Properties

Total Inventory (sf)	45,357,574
Total # of Bldgs (tracked)	567
Absorption	(19,136)
Vacancy	15.3%
Asking Rate (FSG)	\$20.63
New Construction (sf)	551,467

### Multi-tenant Properties

Total Inventory (sf)	31,237,455
Total # of Bldgs (tracked)	435
Absorption	(19,136)
Vacancy	20.5%
Asking Rate (FSG)	\$20.62

## 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 office using jobs increased by 600 jobs during the same period.

## Market Overview

The Milwaukee office market consisting of 45 msf of space has posted 19,000 sf negative absorption for Q2 2022 with YTD 49,600 sf positive absorption. Multi-tenant only properties had the same negative absorption for the quarter but has YTD 23,000 sf negative absorption. The vacancy rate came in at 15.3% during Q2 2022 for multi and single tenant properties while multi-tenant properties had a vacancy rate of 20.5%. The average asking lease rate for all property types was \$20.63 psf FSG this quarter.

## Market Highlights

Milwaukee Downtown West had the largest increase with 24,000 sf positive absorption. Milwaukee CBD posted 42,000 sf negative absorption while the suburban markets saw 23,000 sf positive absorption this quarter. Milwaukee Downtown East top all markets with 41,000 sf negative absorption let by Infinity Healthcare vacating 60,000 sf. There are currently 5 properties under construction with 550,000 sf while two properties were delivered YTD with 55,000 sf. There were 136 lease transaction with 417,000 sf during Q2 2022 with the two largest new leases of Old National Bank leasing 20,000 sf and SoftwareOne leasing 19,500 sf. Twenty six office properties with 488,000 sf sold for \$59 million.

# Market Overview by Class (Multi and Single Tenant)

## Total

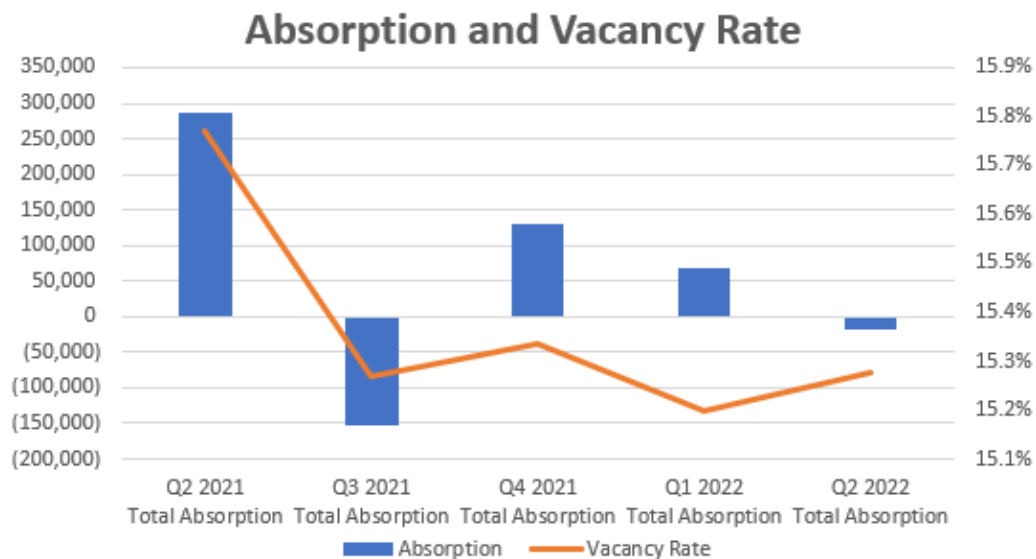
Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
A	104	16,941,329	4,260,002	3,227,225	(50,345)	6,490	19.0%
B	415	26,289,353	4,783,437	3,511,517	24,665	36,590	13.4%
C	48	2,126,892	111,934	189,955	6,544	6,544	8.9%
<b>Grand Total</b>	<b>567</b>	<b>45,357,574</b>	<b>9,155,373</b>	<b>6,928,697</b>	<b>(19,136)</b>	<b>49,624</b>	<b>15.3%</b>

## Direct

Bldg Class	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
A	104	16,941,329	3,926,485	3,077,534	(52,513)	4,322	18.2%
B	415	26,289,353	4,405,637	3,352,708	54,000	54,545	12.8%
C	48	2,126,892	111,934	189,955	6,544	6,544	8.9%
<b>Grand Total</b>	<b>567</b>	<b>45,357,574</b>	<b>8,444,056</b>	<b>6,620,197</b>	<b>8,031</b>	<b>65,411</b>	<b>14.6%</b>

## Sublease

Bldg Class	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
A	104	16,941,329	333,517	149,691	2,168	2,168	0.9%
B	415	26,289,353	377,800	158,809	(29,335)	(17,955)	0.6%
C	48	2,126,892			0	0	0.0%
<b>Grand Total</b>	<b>567</b>	<b>45,357,574</b>	<b>711,317</b>	<b>308,500</b>	<b>(27,167)</b>	<b>(15,787)</b>	<b>0.7%</b>

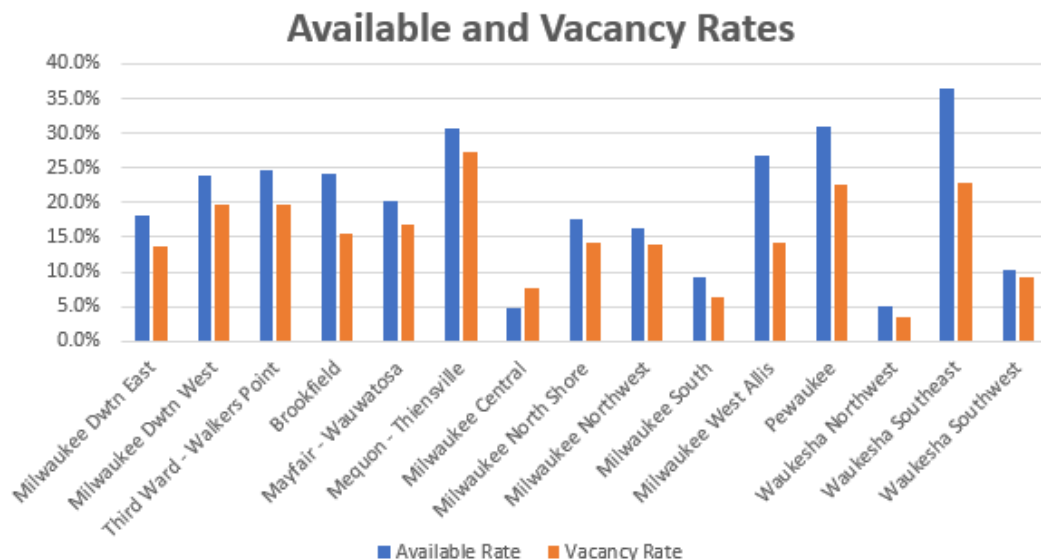


# Market Statistics by Market (Multi and Single Tenant)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Milwaukee Downtown East	A	16	6,712,617	1,485,021	1,052,206	(41,596)	(24,297)	15.7%
	B	39	4,218,971	491,694	434,907	710	(15,335)	10.3%
	C	4	146,389	22,800	17,100	0	0	11.7%
	Subtotal	59	11,077,977	1,999,515	1,504,213	(40,886)	(39,632)	13.6%
Milwaukee Downtown West	A	3	902,938	473,263	470,090	0	605	52.1%
	B	30	4,122,344	774,769	553,610	23,918	16,235	13.4%
	C	2	189,311			0	0	0.0%
	Subtotal	35	5,214,593	1,248,032	1,023,700	23,918	16,840	19.6%
Third Ward - Walkers Point	A	6	733,416	256,695	219,944	9,112	10,182	30.0%
	B	36	2,028,295	412,298	301,250	(34,456)	(30,634)	14.9%
	C	4	120,713	42,963	42,963	0	0	35.6%
	Subtotal	46	2,882,424	711,956	564,157	(25,344)	(20,452)	19.6%
Milwaukee CBD	A	25	8,348,971	2,214,979	1,742,240	(32,484)	(13,510)	20.9%
	B	105	10,369,610	1,678,761	1,289,767	(9,828)	(29,734)	12.4%
	C	10	456,413	65,763	60,063	0	0	13.2%
	Subtotal	140	19,174,994	3,959,503	3,092,070	(42,312)	(43,244)	16.1%
Brookfield	A	25	2,074,412	636,351	356,381	17,479	38,963	17.2%
	B	76	3,980,555	848,403	602,558	(19,087)	7,359	15.1%
	C	5	147,754	5,000		0	0	0.0%
	Subtotal	106	6,202,721	1,489,754	958,939	(1,608)	46,322	15.5%
Mayfair - Wauwatosa	A	15	2,095,692	416,688	311,824	(40,011)	(9,995)	14.9%
	B	29	1,430,209	336,423	316,724	18,015	15,688	22.1%
	C	7	315,383	26,054	12,785	0	0	4.1%
	Subtotal	51	3,841,284	779,165	641,333	(21,996)	5,693	16.7%
Mequon - Thiensville	A	5	167,134	63,361	57,453	6,667	6,667	34.4%
	B	12	333,312	90,015	79,043	(6,212)	(5,929)	23.7%
	Subtotal	17	500,446	153,376	136,496	455	738	27.3%
Milwaukee Central	B	9	663,753	65,329		0	0	0.0%
	C	11	675,498		103,530	0	0	15.3%
	Subtotal	20	1,339,251	65,329	103,530	0	0	7.7%
Milwaukee North Shore	A	3	233,538	151,651	149,499	0	(5,507)	64.0%
	B	32	1,894,614	253,539	176,576	13,186	12,596	9.3%
	C	7	271,978	15,117	13,577	6,544	6,544	5.0%
	Subtotal	42	2,400,130	420,307	339,652	19,730	13,633	14.2%

# Market Statistics by Market (Multi and Single Tenant—Cont)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Milwaukee Northwest	A	11	1,915,769	259,743	193,811	0	13,955	10.1%
	B	43	2,548,195	462,695	427,438	(1,085)	(36,519)	16.8%
	<b>Subtotal</b>	<b>54</b>	<b>4,463,964</b>	<b>722,438</b>	<b>621,249</b>	<b>(1,085)</b>	<b>(22,564)</b>	<b>13.9%</b>
Milwaukee South	A	3	791,333	23,575	23,575	0	(8,185)	3.0%
	B	19	784,238	131,827	80,905	1,658	4,958	10.3%
	C	2	91,658			0	0	0.0%
	<b>Subtotal</b>	<b>24</b>	<b>1,667,229</b>	<b>155,402</b>	<b>104,480</b>	<b>1,658</b>	<b>(3,227)</b>	<b>6.3%</b>
Milwaukee West Allis	B	18	1,733,534	482,412	256,597	10,720	25,519	14.8%
	C	2	61,785			0	0	0.0%
	<b>Subtotal</b>	<b>20</b>	<b>1,795,319</b>	<b>482,412</b>	<b>256,597</b>	<b>10,720</b>	<b>25,519</b>	<b>14.3%</b>
Pewaukee	A	17	1,314,480	493,654	392,442	(1,996)	(15,898)	29.9%
	B	20	730,608	140,309	71,914	(5,421)	159	9.8%
	<b>Subtotal</b>	<b>37</b>	<b>2,045,088</b>	<b>633,963</b>	<b>464,356</b>	<b>(7,417)</b>	<b>(15,739)</b>	<b>22.7%</b>
Waukesha Northwest - Lake Country	B	19	614,895	30,935	22,077	17,319	30,580	3.6%
	<b>Subtotal</b>	<b>19</b>	<b>614,895</b>	<b>30,935</b>	<b>22,077</b>	<b>17,319</b>	<b>30,580</b>	<b>3.6%</b>
Waukesha Southeast - New Berlin	B	14	486,643	177,033	110,950	2,000	2,000	22.8%
	<b>Subtotal</b>	<b>14</b>	<b>486,643</b>	<b>177,033</b>	<b>110,950</b>	<b>2,000</b>	<b>2,000</b>	<b>22.8%</b>
Waukesha Southwest	B	19	719,187	85,756	76,968	3,400	9,913	10.7%
	C	4	106,423			0	0	0.0%
	<b>Subtotal</b>	<b>23</b>	<b>825,610</b>	<b>85,756</b>	<b>76,968</b>	<b>3,400</b>	<b>9,913</b>	<b>9.3%</b>
Suburban	A	79	8,592,358	2,045,023	1,484,985	(17,861)	20,000	17.3%
	B	310	15,919,743	3,104,676	2,221,750	34,493	66,324	14.0%
	C	38	1,670,479	46,171	129,892	6,544	6,544	7.8%
	<b>Subtotal</b>	<b>427</b>	<b>26,182,580</b>	<b>5,195,870</b>	<b>3,836,627</b>	<b>23,176</b>	<b>92,868</b>	<b>14.7%</b>
<b>Grand Total</b>		<b>567</b>	<b>45357574</b>	<b>9155373</b>	<b>6928697</b>	<b>-19136</b>	<b>49624</b>	<b>15.3%</b>

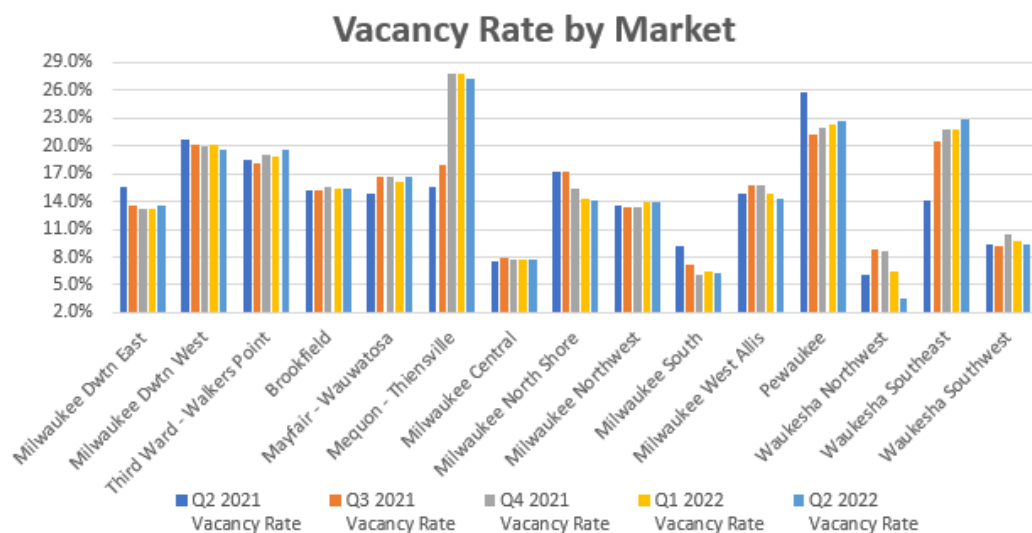


# Vacancy Rates by Market (Multi and Single Tenant)

Market	Bldg Class	Q2 2021 Vacancy Rate	Q3 2021 Vacancy Rate	Q4 2021 Vacancy Rate	Q1 2022 Vacancy Rate	Q2 2022 Vacancy Rate
Milwaukee Downtown East	A	15.0%	15.5%	15.3%	15.1%	15.7%
	B	16.4%	10.4%	9.9%	10.3%	10.3%
	C	12.2%	12.2%	11.7%	11.7%	11.7%
	Subtotal	15.5%	13.5%	13.2%	13.2%	13.6%
Milwaukee Downtown West	A	52.1%	52.1%	52.1%	52.1%	52.1%
	B	14.8%	14.1%	13.8%	14.0%	13.4%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	20.7%	20.2%	20.0%	20.1%	19.6%
Third Ward - Walkers Point	A	40.2%	39.6%	31.4%	31.2%	30.0%
	B	13.2%	12.9%	13.5%	13.3%	14.9%
	C	0.0%	0.0%	35.6%	35.6%	35.6%
	Subtotal	18.5%	18.1%	19.0%	18.8%	19.6%
Milwaukee CBD	A	20.8%	21.2%	20.7%	20.5%	20.9%
	B	15.2%	12.4%	12.2%	12.4%	12.4%
	C	4.3%	4.3%	13.2%	13.2%	13.2%
	Subtotal	17.3%	16.0%	15.9%	15.9%	16.1%
Brookfield	A	16.2%	16.0%	17.3%	18.0%	17.2%
	B	15.2%	15.3%	15.3%	14.7%	15.1%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	15.1%	15.1%	15.6%	15.4%	15.5%
Mayfair - Wauwatosa	A	10.2%	14.0%	14.4%	13.0%	14.9%
	B	23.0%	23.9%	23.2%	23.4%	22.1%
	C	3.7%	3.7%	3.7%	4.1%	4.1%
	Subtotal	14.9%	16.7%	16.8%	16.1%	16.7%
Mequon - Thiensville	A	14.8%	14.8%	38.4%	38.4%	34.4%
	B	15.9%	19.5%	22.4%	22.3%	23.7%
	Subtotal	15.6%	17.9%	27.8%	27.8%	27.3%
Milwaukee Central	B	0.0%	0.0%	0.0%	0.0%	0.0%
	C	15.4%	16.2%	15.3%	15.3%	15.3%
	Subtotal	7.6%	7.9%	7.7%	7.7%	7.7%
Milwaukee North Shore	A	91.2%	61.7%	61.7%	64.0%	64.0%
	B	14.1%	14.4%	11.9%	10.0%	9.3%
	C	4.5%	4.9%	5.4%	5.4%	5.0%
	Subtotal	17.2%	17.3%	15.5%	14.4%	14.2%

# Vacancy by Market (Multi and Single Tenant-Cont)

Market	Bldg Class	Q2 2021 Vacancy Rate	Q3 2021 Vacancy Rate	Q4 2021 Vacancy Rate	Q1 2022 Vacancy Rate	Q2 2022 Vacancy Rate
Milwaukee Northwest	A	11.1%	11.0%	10.8%	10.1%	10.1%
	B	15.3%	15.0%	15.3%	16.7%	16.8%
	<b>Subtotal</b>	<b>13.5%</b>	<b>13.3%</b>	<b>13.4%</b>	<b>13.9%</b>	<b>13.9%</b>
Milwaukee South	A	2.5%	1.9%	1.9%	3.0%	3.0%
	B	16.9%	13.1%	10.9%	10.5%	10.3%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Subtotal</b>	<b>9.1%</b>	<b>7.1%</b>	<b>6.1%</b>	<b>6.4%</b>	<b>6.3%</b>
Milwaukee West Allis	B	15.1%	16.4%	16.3%	15.4%	14.8%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Subtotal</b>	<b>14.9%</b>	<b>15.8%</b>	<b>15.7%</b>	<b>14.9%</b>	<b>14.3%</b>
Pewaukee	A	35.6%	28.7%	28.6%	29.7%	29.9%
	B	10.0%	8.0%	9.9%	9.1%	9.8%
	<b>Subtotal</b>	<b>25.8%</b>	<b>21.3%</b>	<b>21.9%</b>	<b>22.3%</b>	<b>22.7%</b>
Waukesha Northwest - Lake Country	B	6.2%	8.8%	8.6%	6.4%	3.6%
	<b>Subtotal</b>	<b>6.2%</b>	<b>8.8%</b>	<b>8.6%</b>	<b>6.4%</b>	<b>3.6%</b>
Waukesha Southeast - New Berlin	B	14.1%	20.6%	21.7%	21.7%	22.8%
	<b>Subtotal</b>	<b>14.1%</b>	<b>20.6%</b>	<b>21.7%</b>	<b>21.7%</b>	<b>22.8%</b>
Waukesha Southwest	B	10.8%	10.8%	12.1%	11.2%	10.7%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Subtotal</b>	<b>9.4%</b>	<b>9.2%</b>	<b>10.5%</b>	<b>9.7%</b>	<b>9.3%</b>
Suburban	<b>A</b>	<b>16.6%</b>	<b>16.2%</b>	<b>17.1%</b>	<b>17.1%</b>	<b>17.3%</b>
	B	14.4%	14.8%	14.6%	14.1%	14.0%
	C	7.5%	7.6%	7.6%	7.7%	7.8%
	<b>Subtotal</b>	<b>14.6%</b>	<b>14.8%</b>	<b>14.9%</b>	<b>14.7%</b>	<b>14.7%</b>
<b>Grand Total</b>		<b>15.8%</b>	<b>15.3%</b>	<b>15.3%</b>	<b>15.2%</b>	<b>15.3%</b>



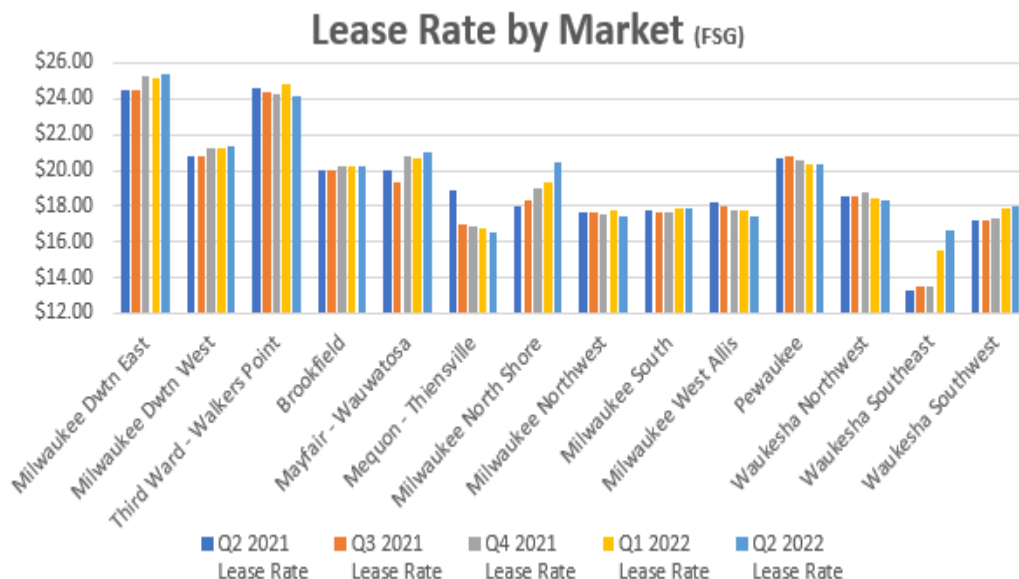
# Lease Rates by Market (Multi and Single Tenant)

Market	Bldg Class	Q2 2021 Lease Rate	Q3 2021 Lease Rate	Q4 2021 Lease Rate	Q1 2022 Lease Rate	Q2 2022 Lease Rate
Milwaukee Downtown East	A	\$31.54	\$32.17	\$33.16	\$33.14	\$33.08
	B	\$20.86	\$20.16	\$20.48	\$20.40	\$20.32
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.44	\$24.50	\$25.26	\$25.21	\$25.43
Milwaukee Downtown West	A	\$22.49	\$22.49	\$22.49	\$22.49	\$22.49
	B	\$20.38	\$20.38	\$20.95	\$20.89	\$21.11
	C					
	Subtotal	\$20.76	\$20.76	\$21.26	\$21.21	\$21.34
Third Ward - Walkers Point	A	\$26.52	\$26.87	\$26.89	\$26.97	\$27.24
	B	\$23.73	\$23.39	\$23.47	\$24.28	\$23.29
	C			\$22.00	\$22.00	\$20.50
	Subtotal	\$24.55	\$24.41	\$24.29	\$24.87	\$24.10
Milwaukee CBD	A	\$28.84	\$29.62	\$30.06	\$30.07	\$30.28
	B	\$21.67	\$21.21	\$21.66	\$21.91	\$21.63
	C	\$18.00	\$18.00	\$20.00	\$20.00	\$19.25
	Subtotal	\$23.73	\$23.76	\$24.20	\$24.36	\$24.15
Brookfield	A	\$22.53	\$22.74	\$22.70	\$22.51	\$22.54
	B	\$18.49	\$18.44	\$18.79	\$18.78	\$18.79
	C	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
	Subtotal	\$20.01	\$19.98	\$20.25	\$20.22	\$20.26
Mayfair - Wauwatosa	A	\$26.76	\$26.25	\$26.72	\$26.39	\$26.32
	B	\$17.26	\$17.31	\$18.00	\$18.07	\$17.94
	C		\$14.00			
	Subtotal	\$19.98	\$19.28	\$20.75	\$20.70	\$21.03
Mequon - Thiensville	A					
	B	\$18.88	\$16.98	\$16.89	\$16.73	\$16.51
	Subtotal	\$18.88	\$16.98	\$16.89	\$16.73	\$16.51
Milwaukee Central	B					
	C					
	Subtotal					
Milwaukee North Shore	A	\$23.33	\$23.33	\$24.00	\$23.37	\$23.37
	B	\$17.18	\$17.81	\$19.26	\$19.50	\$20.81
	C	\$16.00	\$16.00	\$16.00	\$16.00	\$16.50
	Subtotal	\$17.94	\$18.28	\$19.02	\$19.34	\$20.44



# Lease Rates by Market (Multi and Single Tenant-Cont)

Market	Bldg Class	Q2 2021 Lease Rate	Q3 2021 Lease Rate	Q4 2021 Lease Rate	Q1 2022 Lease Rate	Q2 2022 Lease Rate
Milwaukee Northwest	A	\$21.54	\$21.54	\$21.47	\$22.26	\$22.26
	B	\$16.47	\$16.49	\$16.34	\$16.40	\$16.07
	<b>Subtotal</b>	<b>\$17.66</b>	<b>\$17.68</b>	<b>\$17.54</b>	<b>\$17.78</b>	<b>\$17.45</b>
Milwaukee South	A	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
	B	\$16.86	\$16.84	\$16.72	\$16.95	\$16.97
	C					
	<b>Subtotal</b>	<b>\$17.77</b>	<b>\$17.66</b>	<b>\$17.64</b>	<b>\$17.84</b>	<b>\$17.86</b>
Milwaukee West Allis	B	\$18.23	\$18.00	\$17.76	\$17.70	\$17.41
	C					
	<b>Subtotal</b>	<b>\$18.23</b>	<b>\$18.00</b>	<b>\$17.76</b>	<b>\$17.70</b>	<b>\$17.41</b>
Pewaukee	A	\$22.54	\$22.44	\$22.38	\$22.08	\$22.08
	B	\$17.81	\$18.13	\$17.95	\$17.95	\$18.24
	<b>Subtotal</b>	<b>\$20.70</b>	<b>\$20.82</b>	<b>\$20.56</b>	<b>\$20.34</b>	<b>\$20.35</b>
Waukesha Northwest - Lake Country	B	\$18.54	\$18.54	\$18.75	\$18.48	\$18.27
	<b>Subtotal</b>	<b>\$18.54</b>	<b>\$18.54</b>	<b>\$18.75</b>	<b>\$18.48</b>	<b>\$18.27</b>
Waukesha Southeast - New Berlin	B	\$13.25	\$13.50	\$13.50	\$15.50	\$16.60
	<b>Subtotal</b>	<b>\$13.25</b>	<b>\$13.50</b>	<b>\$13.50</b>	<b>\$15.50</b>	<b>\$16.60</b>
Waukesha Southwest	B	\$17.24	\$17.24	\$17.29	\$17.84	\$17.99
	C					
	<b>Subtotal</b>	<b>\$17.24</b>	<b>\$17.24</b>	<b>\$17.29</b>	<b>\$17.84</b>	<b>\$17.99</b>
Suburban	<b>A</b>	<b>\$23.09</b>	<b>\$23.05</b>	<b>\$23.16</b>	<b>\$22.99</b>	<b>\$23.06</b>
	B	\$17.52	\$17.54	\$17.78	\$17.84	\$17.90
	C	\$14.80	\$14.67	\$14.80	\$14.80	\$14.88
	<b>Subtotal</b>	<b>\$19.03</b>	<b>\$18.88</b>	<b>\$19.16</b>	<b>\$19.20</b>	<b>\$19.34</b>
<b>Grand Total</b>		<b>\$20.20</b>	<b>\$20.10</b>	<b>\$20.42</b>	<b>\$20.48</b>	<b>\$20.63</b>



# Market Overview by Class (Multi-Tenant Properties)

## Total

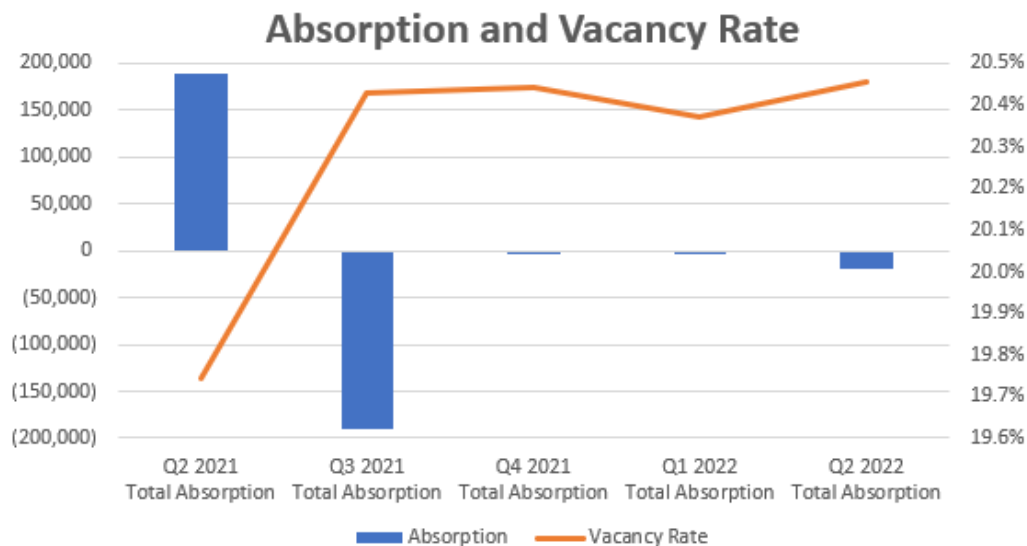
Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
A	85	11,834,224	3,981,284	2,948,507	(50,345)	(38,510)	24.9%
B	314	17,816,502	4,315,153	3,354,295	24,665	8,998	18.8%
C	36	1,586,729	111,934	86,425	6,544	6,544	5.4%
<b>Grand Total</b>	<b>435</b>	<b>31,237,455</b>	<b>8,408,371</b>	<b>6,389,227</b>	<b>(19,136)</b>	<b>(22,968)</b>	<b>20.5%</b>

## Direct

Bldg Class	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
A	85	11,834,224	3,749,525	2,900,574	(52,513)	(40,678)	24.5%
B	314	17,816,502	3,974,353	3,232,486	54,000	26,953	18.1%
C	36	1,586,729	111,934	86,425	6,544	6,544	5.4%
<b>Grand Total</b>	<b>435</b>	<b>31,237,455</b>	<b>7,835,812</b>	<b>6,219,485</b>	<b>8,031</b>	<b>(7,181)</b>	<b>19.9%</b>

## Sublease

Bldg Class	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
A	85	11,834,224	231,759	47,933	2,168	2,168	0.4%
B	314	17,816,502	340,800	121,809	(29,335)	(17,955)	0.7%
C	36	1,586,729			0	0	0.0%
<b>Grand Total</b>	<b>435</b>	<b>31,237,455</b>	<b>572,559</b>	<b>169,742</b>	<b>(27,167)</b>	<b>(15,787)</b>	<b>0.5%</b>

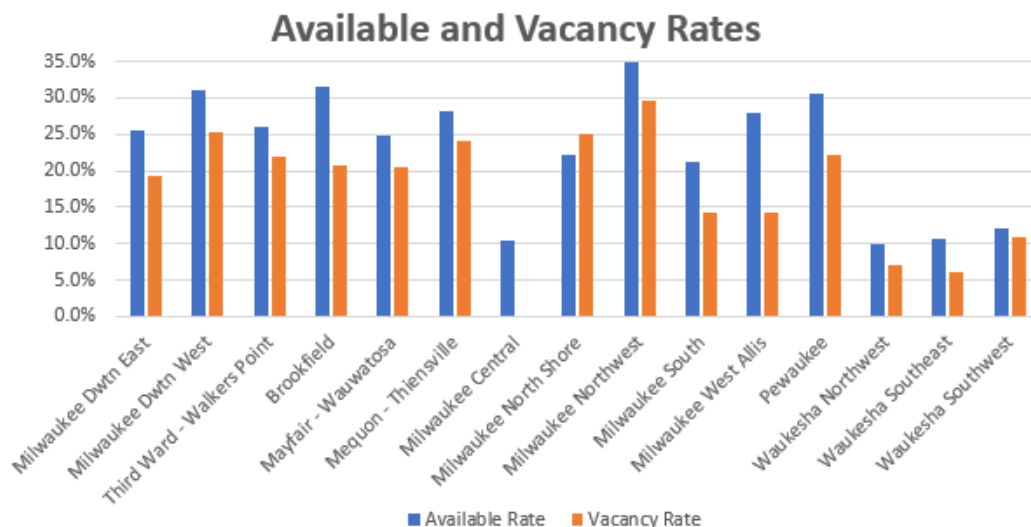


# Market Statistics by Market (Multi-Tenant Properties)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Milwaukee Downtown East	A	14	5,428,151	1,485,021	1,052,206	(41,596)	(24,297)	19.4%
	B	29	2,298,434	491,694	434,907	710	(15,335)	18.9%
	C	3	115,387	22,800	17,100	0	0	14.8%
	Subtotal	46	7,841,972	1,999,515	1,504,213	(40,886)	(39,632)	19.2%
Milwaukee Downtown West	A	2	622,938	410,836	407,663	0	605	65.4%
	B	24	3,084,959	774,769	553,610	23,918	16,235	17.9%
	C	1	95,561			0	0	0.0%
	Subtotal	27	3,803,458	1,185,605	961,273	23,918	16,840	25.3%
Third Ward - Walkers Point	A	5	557,416	256,695	219,944	9,112	10,182	39.5%
	B	32	1,887,703	370,298	301,250	(34,456)	(30,634)	16.0%
	C	4	120,713	42,963	42,963	0	0	35.6%
	Subtotal	41	2,565,832	669,956	564,157	(25,344)	(20,452)	22.0%
Milwaukee CBD	A	21	6,608,505	2,152,552	1,679,813	(32,484)	(13,510)	25.4%
	B	85	7,271,096	1,636,761	1,289,767	(9,828)	(29,734)	17.7%
	C	8	331,661	65,763	60,063	0	0	18.1%
	Subtotal	114	14,211,262	3,855,076	3,029,643	(42,312)	(43,244)	21.3%
Brookfield	A	23	1,605,343	636,351	356,381	17,479	(6,037)	22.2%
	B	63	2,921,570	818,123	602,558	(19,087)	7,359	20.6%
	C	3	90,792	5,000		0	0	0.0%
	Subtotal	89	4,617,705	1,459,474	958,939	(1,608)	1,322	20.8%
Mayfair - Wauwatosa	A	13	1,566,458	416,688	311,824	(40,011)	(9,995)	19.9%
	B	25	1,290,005	336,423	316,724	18,015	15,688	24.6%
	C	6	279,887	26,054	12,785	0	0	4.6%
	Subtotal	44	3,136,350	779,165	641,333	(21,996)	5,693	20.4%
Mequon - Thiensville	A	4	127,493	24,030	18,122	6,667	6,667	14.2%
	B	10	276,376	90,015	79,043	(6,212)	(5,929)	28.6%
	Subtotal	14	403,869	114,045	97,165	455	738	24.1%
Milwaukee Central	B	5	216,780	65,329		0	0	0.0%
	C	6	415,176			0	0	0.0%
	Subtotal	11	631,956	65,329		0	0	0.0%
Milwaukee North Shore	A	3	233,538	151,651	149,499	0	(5,507)	64.0%
	B	24	847,027	131,861	176,576	13,186	12,596	20.8%
	C	7	271,978	15,117	13,577	6,544	6,544	5.0%
	Subtotal	34	1,352,543	298,629	339,652	19,730	13,633	25.1%

# Market Statistics by Market (Multi-Tenant —Cont)

Market	Bldg Class	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Milwaukee Northwest	A	6	789,885	259,743	193,811	0	13,955	24.5%
	B	24	1,177,328	426,173	390,916	(1,085)	(36,519)	33.2%
	<b>Subtotal</b>	<b>30</b>	<b>1,967,213</b>	<b>685,916</b>	<b>584,727</b>	<b>(1,085)</b>	<b>(22,564)</b>	<b>29.7%</b>
Milwaukee South	A	2	111,067	23,575	23,575	0	(8,185)	21.2%
	B	13	529,059	131,827	80,905	1,658	4,958	15.3%
	C	2	91,658			0	0	0.0%
	<b>Subtotal</b>	<b>17</b>	<b>731,784</b>	<b>155,402</b>	<b>104,480</b>	<b>1,658</b>	<b>(3,227)</b>	<b>14.3%</b>
Milwaukee West Allis	B	15	1,609,495	458,712	232,897	10,720	(2,073)	14.5%
	C	1	27,516			0	0	0.0%
	<b>Subtotal</b>	<b>16</b>	<b>1,637,011</b>	<b>458,712</b>	<b>232,897</b>	<b>10,720</b>	<b>(2,073)</b>	<b>14.2%</b>
Pewaukee	A	13	791,935	316,694	215,482	(1,996)	(15,898)	27.2%
	B	14	506,627	79,219	71,914	(5,421)	159	14.2%
	<b>Subtotal</b>	<b>27</b>	<b>1,298,562</b>	<b>395,913</b>	<b>287,396</b>	<b>(7,417)</b>	<b>(15,739)</b>	<b>22.1%</b>
Waukesha Northwest - Lake Country	B	12	313,026	30,935	22,077	17,319	30,580	7.1%
	<b>Subtotal</b>	<b>12</b>	<b>313,026</b>	<b>30,935</b>	<b>22,077</b>	<b>17,319</b>	<b>30,580</b>	<b>7.1%</b>
Waukesha Southeast - New Berlin	B	8	227,541	24,019	13,950	2,000	2,000	6.1%
	<b>Subtotal</b>	<b>8</b>	<b>227,541</b>	<b>24,019</b>	<b>13,950</b>	<b>2,000</b>	<b>2,000</b>	<b>6.1%</b>
Waukesha Southwest	B	16	630,572	85,756	76,968	3,400	9,913	12.2%
	C	3	78,061			0	0	0.0%
	<b>Subtotal</b>	<b>19</b>	<b>708,633</b>	<b>85,756</b>	<b>76,968</b>	<b>3,400</b>	<b>9,913</b>	<b>10.9%</b>
Suburban	A	64	5,225,719	1,828,732	1,268,694	(17,861)	(25,000)	24.3%
	B	229	10,545,406	2,678,392	2,064,528	34,493	38,732	19.6%
	C	28	1,255,068	46,171	26,362	6,544	6,544	2.1%
	<b>Subtotal</b>	<b>321</b>	<b>17,026,193</b>	<b>4,553,295</b>	<b>3,359,584</b>	<b>23,176</b>	<b>20,276</b>	<b>19.7%</b>
<b>Grand Total</b>		<b>435</b>	<b>31,237,455</b>	<b>8,408,371</b>	<b>6,389,227</b>	<b>(19,136)</b>	<b>(22,968)</b>	<b>20.5%</b>

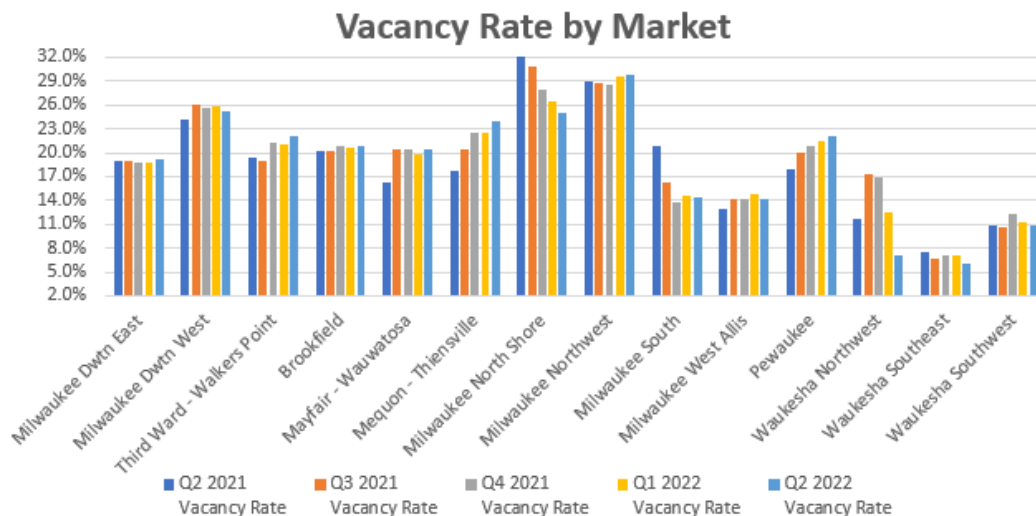


# Vacancy Rates by Market (Multi-Tenant)

Market	Bldg Class	Q2 2021 Vacancy Rate	Q3 2021 Vacancy Rate	Q4 2021 Vacancy Rate	Q1 2022 Vacancy Rate	Q2 2022 Vacancy Rate
Milwaukee Downtown East	A	18.6%	19.1%	18.9%	18.6%	19.4%
	B	20.1%	19.0%	18.3%	19.0%	18.9%
	C	15.4%	15.4%	14.8%	14.8%	14.8%
	Subtotal	19.0%	19.1%	18.7%	18.7%	19.2%
Milwaukee Downtown West	A	65.5%	65.5%	65.5%	65.4%	65.4%
	B	17.6%	18.9%	18.5%	18.7%	17.9%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	24.3%	26.1%	25.7%	25.9%	25.3%
Third Ward - Walkers Point	A	40.2%	39.6%	41.3%	41.1%	39.5%
	B	14.1%	13.7%	14.3%	14.1%	16.0%
	C	0.0%	0.0%	35.6%	35.6%	35.6%
	Subtotal	19.4%	19.0%	21.2%	21.0%	22.0%
Milwaukee CBD	A	24.8%	25.3%	25.2%	24.9%	25.4%
	B	17.5%	17.6%	17.3%	17.6%	17.7%
	C	6.2%	6.2%	18.1%	18.1%	18.1%
	Subtotal	20.6%	20.9%	21.0%	21.0%	21.3%
Brookfield	A	20.4%	20.2%	21.8%	23.3%	22.2%
	B	20.7%	20.8%	20.9%	20.0%	20.6%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	20.2%	20.2%	20.8%	20.7%	20.8%
Mayfair - Wauwatosa	A	10.8%	18.7%	19.3%	17.4%	19.9%
	B	25.5%	26.4%	25.7%	25.9%	24.6%
	C	4.2%	4.2%	4.2%	4.6%	4.6%
	Subtotal	16.2%	20.5%	20.5%	19.7%	20.4%
Mequon - Thiensville	A	19.4%	19.4%	19.4%	19.4%	14.2%
	B	17.0%	20.9%	23.9%	23.8%	28.6%
	Subtotal	17.7%	20.4%	22.6%	22.5%	24.1%
Milwaukee Central	B	0.0%	0.0%	0.0%	0.0%	0.0%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	0.0%	0.0%	0.0%	0.0%	0.0%
Milwaukee North Shore	A	91.2%	61.7%	61.7%	64.0%	64.0%
	B	30.1%	30.3%	25.5%	22.4%	20.8%
	C	6.7%	6.7%	7.4%	7.4%	5.0%
	Subtotal	32.1%	30.9%	28.0%	26.6%	25.1%

# Vacancy Rates by Market (Multi-Tenant—Cont)

Market	Bldg Class	Q2 2021 Vacancy Rate	Q3 2021 Vacancy Rate	Q4 2021 Vacancy Rate	Q1 2022 Vacancy Rate	Q2 2022 Vacancy Rate
Milwaukee Northwest	A	27.0%	26.6%	26.3%	24.5%	24.5%
	B	30.2%	30.1%	30.1%	33.1%	33.2%
	<b>Subtotal</b>	<b>28.9%</b>	<b>28.7%</b>	<b>28.6%</b>	<b>29.7%</b>	<b>29.7%</b>
Milwaukee South	A	17.8%	13.9%	13.9%	21.2%	21.2%
	B	25.1%	19.5%	16.2%	15.6%	15.3%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Subtotal</b>	<b>20.8%</b>	<b>16.2%</b>	<b>13.8%</b>	<b>14.5%</b>	<b>14.3%</b>
Milwaukee West Allis	B	13.1%	14.4%	14.3%	15.1%	14.5%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Subtotal</b>	<b>12.9%</b>	<b>14.2%</b>	<b>14.1%</b>	<b>14.9%</b>	<b>14.2%</b>
Pewaukee	A	20.2%	25.2%	25.2%	27.0%	27.2%
	B	14.2%	11.6%	14.2%	13.1%	14.2%
	<b>Subtotal</b>	<b>17.8%</b>	<b>19.9%</b>	<b>20.9%</b>	<b>21.6%</b>	<b>22.1%</b>
Waukesha Northwest - Lake Country	B	11.7%	17.4%	16.8%	12.6%	7.1%
	<b>Subtotal</b>	<b>11.7%</b>	<b>17.4%</b>	<b>16.8%</b>	<b>12.6%</b>	<b>7.1%</b>
Waukesha Southeast - New Berlin	B	7.5%	6.7%	7.0%	7.0%	6.1%
	<b>Subtotal</b>	<b>7.5%</b>	<b>6.7%</b>	<b>7.0%</b>	<b>7.0%</b>	<b>6.1%</b>
Waukesha Southwest	B	12.3%	12.3%	13.8%	12.7%	12.2%
	C	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>Subtotal</b>	<b>10.9%</b>	<b>10.6%</b>	<b>12.3%</b>	<b>11.3%</b>	<b>10.9%</b>
Suburban	A	20.4%	23.2%	23.8%	23.9%	24.3%
	B	20.3%	20.6%	20.2%	19.8%	19.6%
	C	2.4%	2.4%	2.6%	2.6%	2.1%
	<b>Subtotal</b>	<b>19.0%</b>	<b>20.0%</b>	<b>20.0%</b>	<b>19.8%</b>	<b>19.7%</b>
<b>Grand Total</b>		<b>19.7%</b>	<b>20.4%</b>	<b>20.4%</b>	<b>20.4%</b>	<b>20.5%</b>

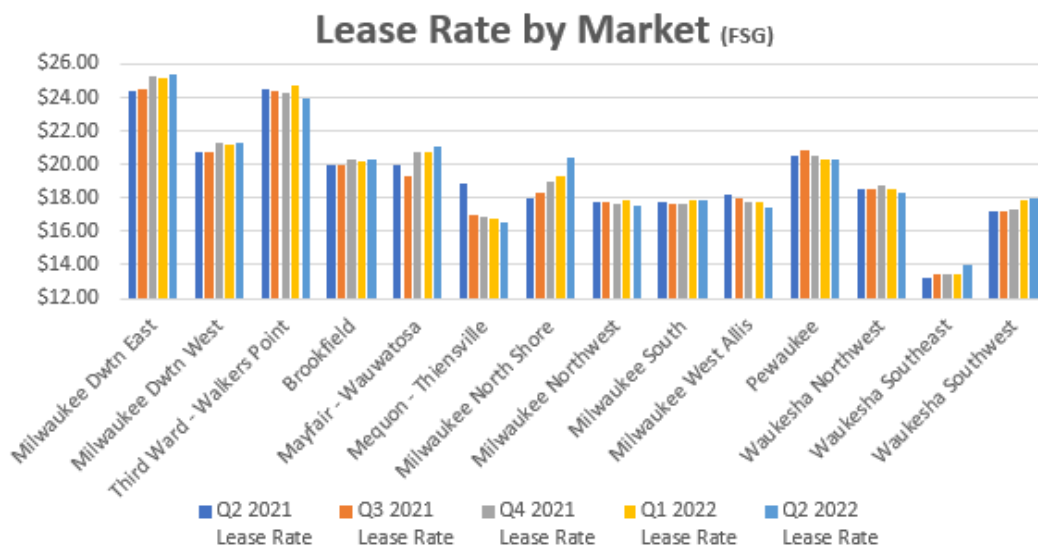


# Lease Rates by Market (Multi-Tenant)

Market	Bldg Class	Q2 2021 Lease Rate	Q3 2021 Lease Rate	Q4 2021 Lease Rate	Q1 2022 Lease Rate	Q2 2022 Lease Rate
Milwaukee Downtown East	A	\$31.54	\$32.17	\$33.16	\$33.14	\$33.08
	B	\$20.86	\$20.16	\$20.48	\$20.40	\$20.32
	C	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
	Subtotal	\$24.44	\$24.50	\$25.26	\$25.21	\$25.43
Milwaukee Downtown West	A	\$22.49	\$22.49	\$22.49	\$22.49	\$22.49
	B	\$20.38	\$20.38	\$20.95	\$20.89	\$21.11
	C					
	Subtotal	\$20.76	\$20.76	\$21.26	\$21.21	\$21.34
Third Ward - Walkers Point	A	\$26.52	\$26.87	\$26.89	\$26.97	\$27.24
	B	\$23.73	\$23.39	\$23.47	\$24.01	\$22.99
	C			\$22.00	\$22.00	\$20.50
	Subtotal	\$24.55	\$24.41	\$24.29	\$24.72	\$23.93
Milwaukee CBD	A	\$28.84	\$29.62	\$30.06	\$30.07	\$30.28
	B	\$21.67	\$21.21	\$21.66	\$21.75	\$21.48
	C	\$18.00	\$18.00	\$20.00	\$20.00	\$19.25
	Subtotal	\$23.73	\$23.76	\$24.20	\$24.31	\$24.09
Brookfield	A	\$22.53	\$22.74	\$22.70	\$22.51	\$22.54
	B	\$18.49	\$18.44	\$18.79	\$18.78	\$18.79
	C	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
	Subtotal	\$20.01	\$19.98	\$20.25	\$20.22	\$20.26
Mayfair - Wauwatosa	A	\$26.76	\$26.25	\$26.72	\$26.39	\$26.32
	B	\$17.26	\$17.31	\$18.00	\$18.07	\$17.94
	C		\$14.00			
	Subtotal	\$19.98	\$19.28	\$20.75	\$20.70	\$21.03
Mequon - Thiensville	A					
	B	\$18.88	\$16.98	\$16.89	\$16.73	\$16.51
	Subtotal	\$18.88	\$16.98	\$16.89	\$16.73	\$16.51
Milwaukee Central	B					
	C					
	Subtotal					
Milwaukee North Shore	A	\$23.33	\$23.33	\$24.00	\$23.37	\$23.37
	B	\$17.18	\$17.81	\$19.26	\$19.50	\$20.81
	C	\$16.00	\$16.00	\$16.00	\$16.00	\$16.50
	Subtotal	\$17.94	\$18.28	\$19.02	\$19.34	\$20.44

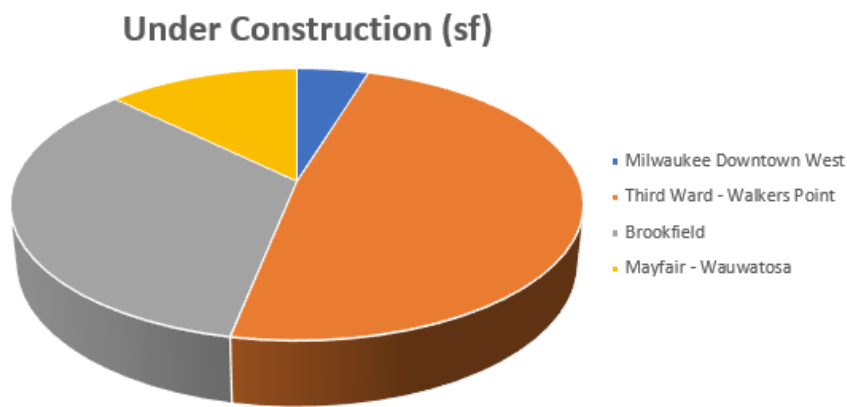
# Lease Rates by Market (Multi-Tenant-Cont)

Market	Bldg Class	Q2 2021 Lease Rate	Q3 2021 Lease Rate	Q4 2021 Lease Rate	Q1 2022 Lease Rate	Q2 2022 Lease Rate
Milwaukee Northwest	A	\$21.54	\$21.54	\$21.47	\$22.26	\$22.26
	B	\$16.47	\$16.49	\$16.32	\$16.39	\$16.04
	Subtotal	\$17.74	\$17.75	\$17.61	\$17.86	\$17.50
Milwaukee South	A	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
	B	\$16.86	\$16.84	\$16.72	\$16.95	\$16.97
	C					
	Subtotal	\$17.77	\$17.66	\$17.64	\$17.84	\$17.86
Milwaukee West Allis	B	\$18.23	\$18.00	\$17.76	\$17.70	\$17.41
	C					
	Subtotal	\$18.23	\$18.00	\$17.76	\$17.70	\$17.41
Pewaukee	A	\$22.44	\$22.44	\$22.38	\$22.08	\$22.08
	B	\$17.81	\$18.13	\$17.95	\$17.95	\$17.95
	C	\$20.53	\$20.82	\$20.56	\$20.34	\$20.34
Waukesha Northwest - Lake Country	B	\$18.54	\$18.54	\$18.75	\$18.48	\$18.27
	Subtotal	\$18.54	\$18.54	\$18.75	\$18.48	\$18.27
Waukesha Southeast - New Berlin	B	\$13.25	\$13.50	\$13.50	\$13.50	\$14.00
	Subtotal	\$13.25	\$13.50	\$13.50	\$13.50	\$14.00
Waukesha Southwest	B	\$17.24	\$17.24	\$17.29	\$17.84	\$17.99
	C					
	Subtotal	\$17.24	\$17.24	\$17.29	\$17.84	\$17.99
Suburban	A	\$23.08	\$23.05	\$23.16	\$22.99	\$23.06
	B	\$17.53	\$17.55	\$17.79	\$17.80	\$17.84
	C	\$14.80	\$14.67	\$14.80	\$14.80	\$14.88
	Subtotal	\$19.02	\$18.89	\$19.17	\$19.19	\$19.34
Grand Total		\$20.20	\$20.12	\$20.43	\$20.45	\$20.62





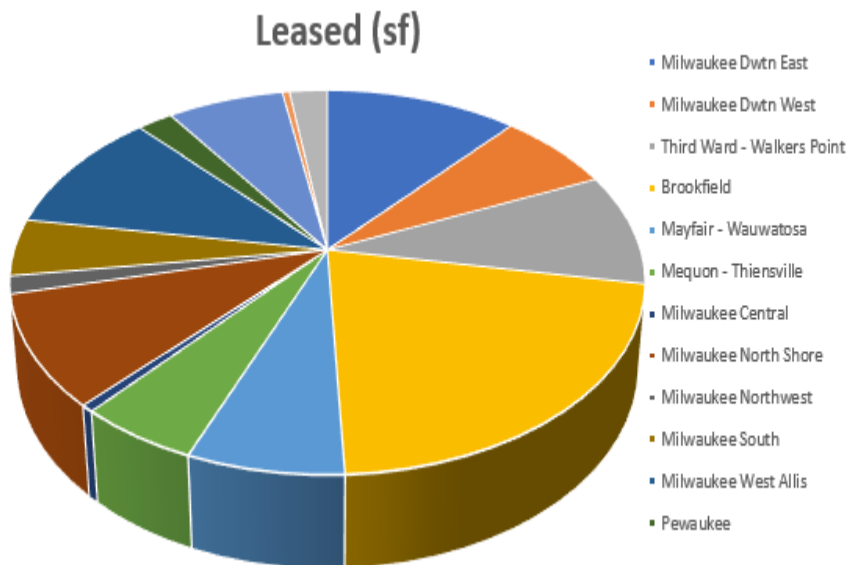
# Under Construction



Market	Bldg (sf)
Milwaukee Downtown West	26,250
Third Ward - Walkers Point	266,860
Brookfield	188,000
Mayfair - Wauwatosa	70,357
Grand Total	551,467

# Leasing Activity

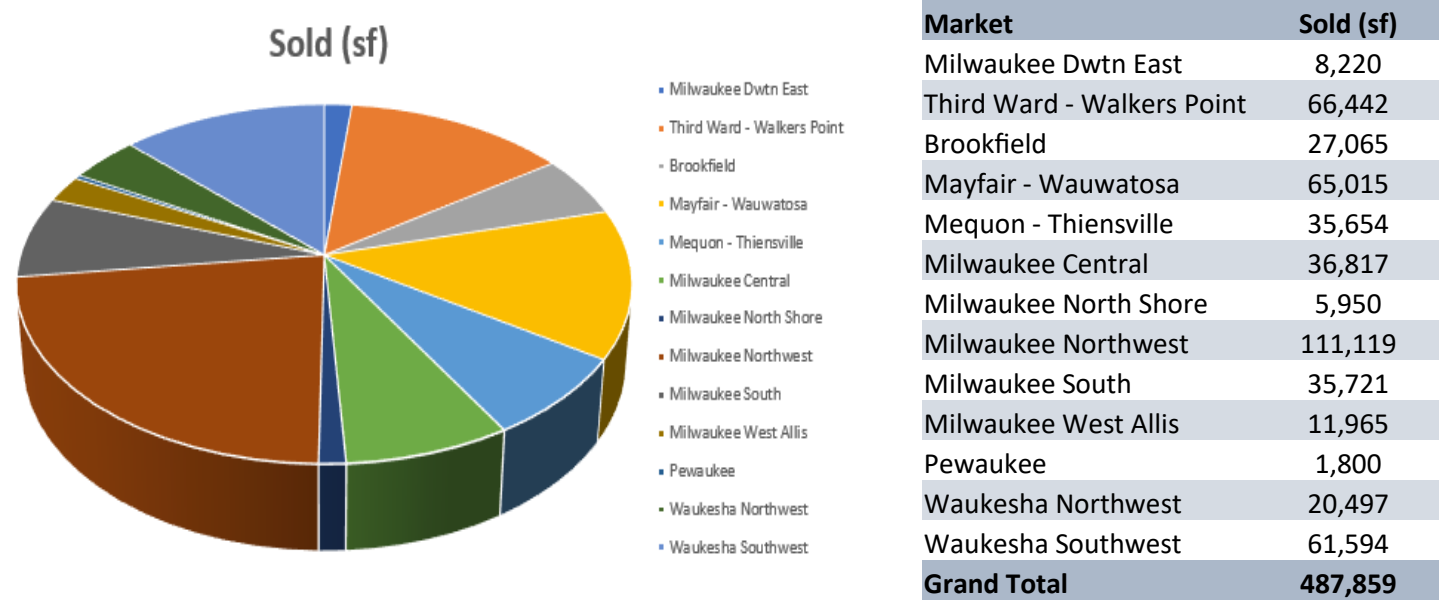
Property	Size (sf)	Market	Tenant	Landlord
Executive Center VI 400 N Executive Dr	26,096	Brookfield	Willis Towers Watson (renewal)	Brookfield Investors LLC
The Huron Building 511 N Broadway	20,750	Milwaukee Dwtm East	Old National Bank	511 Holdings LLC
The Dye House 320 E Buffalo St	19,518	Third Ward - Walkers Point	SoftwareONE	Singerman Real Estate LLC
Ridgeview Corporate Center 1320 Walnut Ridge Dr	14,620	Waukesha Northwest	Wolf Paving	Jabez Real Estate Ventures LLC
Summit Place 6609 W Washington St	13,134	Milwaukee West Allis	Malteurop	Whitnall Summit Co LLC



Market	Leased (sf)
Milwaukee Dwtm East	48,063
Milwaukee Dwtm West	28,757
Third Ward - Walkers Point	39,451
Brookfield	89,432
Mayfair - Wauwatosa	28,621
Mequon - Thiensville	22,064
Milwaukee Central	2,387
Milwaukee North Shore	39,125
Milwaukee Northwest	6,205
Milwaukee South	20,075
Milwaukee West Allis	44,136
Pewaukee	8,971
Waukesha Northwest	29,104
Waukesha Southeast	1,800
Waukesha Southwest	9,444
<b>Grand Total</b>	<b>417,635</b>

# Sales Activity

Property	Price	Market	Buyer	Seller
3077 N Mayfair Rd	\$15,900,000	Mayfair - Wauwatosa	CAHST Wauwatosa, LLC	ICA Mayfair Venture, LLC; ICA Mayfair Venture II, LLC; TR ICA Mayfair, LLC; EEO ICA Mayfair, LLC
417 E Chicago St	\$11,000,000	Third Ward - Walkers Point	417 Third Ward, LLC	417 East Chicago, LLC
1711 Paramount Ct	\$5,300,000	Waukesha Southwest	Paramount Industrial, LLC	FB34, LLC
N54 W13600 Woodale Dr	\$4,300,000	Milwaukee Northwest	13600 Woodale, LLC	Kohl's, Inc.
11050 W Liberty Dr	\$3,850,000	Milwaukee Northwest	GIP Milwaukee, LLC	GPT Properties Trust



# Methodology

The Milwaukee market consists of existing multi and single tenant office buildings 20,000 sf or larger in Southeastern Wisconsin. The geographic area includes Milwaukee and Waukesha, counties, along with Mequon and Thiensville. Property types included in the tracked set consist of general office and corporate facilities. The tracked set does not include medical office or government buildings. 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 Full-Service Gross (FSG) 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 office buildings 20,000 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 full service gross (FSG) terms with Net type leases grossed up.

## Advisory Board Members

CBRE	William Bonifas	Irgens	Peter Zanghi
	John Mazza		Julia Howe
	Nick Becker		Matt Hunter
Colliers International	Matt Fahey	JLL	David Pudiosky
	Mike Wanezek		Michael Streit
	Dan Wroblewski	Judson	Will Schlosser
Cushman & Wakefield   Boerke	Jim Cavanaugh	NAI Greywolf	Wally Sauthoff
	Katie Brueske		Mitch Bastien
Founders 3	Jenna Maguire	Newmark Knight Frank	Tim Janusz
	Ned Purtell	Transwestern	John Dulmes

## Research Advisory Board Members

CBRE	Don Heckel	Cushman & Wakefield   Boerke	Katie Gremban
Colliers International	Maggie Blair	Founders 3	Elizabeth Pancratz
	Joseph Wright	JLL	Laura Russell
	Jake Best	Newmark Knight Frank	Nate Winkle

## REDIComps Team

Chris Allen	Regional Director of Analytics	<a href="mailto:chris@redicomps.com">chris@redicomps.com</a>	952-456-1669
Jeremy Bengtson	CEO	<a href="mailto:jeremy@redicomps.com">jeremy@redicomps.com</a>	
Anna Luepke-Bengtson	Director of Sale Comps	<a href="mailto:anna@redicomps.com">anna@redicomps.com</a>	
Kim Platz	Regional Director of Research	<a href="mailto:kim@redicomps.com">kim@redicomps.com</a>	816-651-6686
Summer Jones	Listings Researcher	<a href="mailto:summer@redicomps.com">summer@redicomps.com</a>	816-726-1133
Michelle Siegert	Listings Researcher	<a href="mailto:michelle@redicomps.com">michelle@redicomps.com</a>	816-230-0116
Molly Bengtson	Director of Client Services	<a href="mailto:molly@redicomps.com">molly@redicomps.com</a>	715-475-9876
Tracy Johnson	President & CEO - CARW	<a href="mailto:tracy@carw.com">tracy@carw.com</a>	414-271-2021