

Market

Trends

Q4 2022

Milwaukee - Industrial



REDI

MOODY'S
ANALYTICS

Catylist



MARKET TRENDS

Q4 2022 | Milwaukee | Industrial

Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	776,509	
Area Unemployment	3.0	
U.S. Unemployment	3.6	
Industrial Jobs	113,600	

Source: BLS

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

Market Recap

All Properties

Total Inventory (sf)	374,207,768
Total # of Bldgs (tracked)	5,368
Absorption	4,368,625
Vacancy	3.3%
Asking Rate (NNN)	\$6.17
New Construction (sf)	7,881,744

Multi-tenant Properties

Total Inventory (sf)	90,431,601
Total # of Bldgs (tracked)	1,194
Absorption	621,000
Vacancy	9.1%
Asking Rate (NNN)	\$6.15

Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Milwaukee metropolitan statistical area (MSA) increased 10 basis points to 3.0% compared to 2.9% in November 2021. The unemployment rate for the US was at 3.6% in November 2022, down from 4.2% last year. State of Wisconsin unemployment was 3.3% for this quarter. The Milwaukee MSA saw an decrease in job growth while manufacturing jobs increased by 1,000 jobs during the same period.

Market Overview

The Milwaukee Industrial market consists of 374 msf of space in eight counties across Southeastern Wisconsin. For all properties, Southeastern Wisconsin posted over 4.3 msf positive absorption in Q4 2022 increasing YTD to 7.8 msf positive absorption. Multi-tenant properties had 621,000 sf positive absorption bringing YTD to 2.9 msf positive absorption. The fourth quarter ended with a vacancy rate of 3.3% for all inventory and 9.1% for multi-tenant properties. The average asking lease rate for Southeastern Wisconsin came in at \$6.17 psf NNN. To date, there are 37 properties totaling 7.8 msf of new construction projects throughout the market. Thirty nine properties with 11.3 msf were delivered year to date.

Market Highlights

Kenosha County topped all counties in positive absorption with 3.5 msf led by the new delivery of five single tenant properties for Uline, Amazon, Haribo and Precision Lab. Racine county posted the largest loss with (364,000) sf negative absorption led by GXO Logistics vacating 550,000 sf. At the close of Q4 2022 the market had 60 lease transaction totaling 5.1 msf of leasing activity. Sixty five properties sold topping \$171 million and over 2.2 msf during Q4 2022.

Market Overview (Multi and Single Tenant)

Total

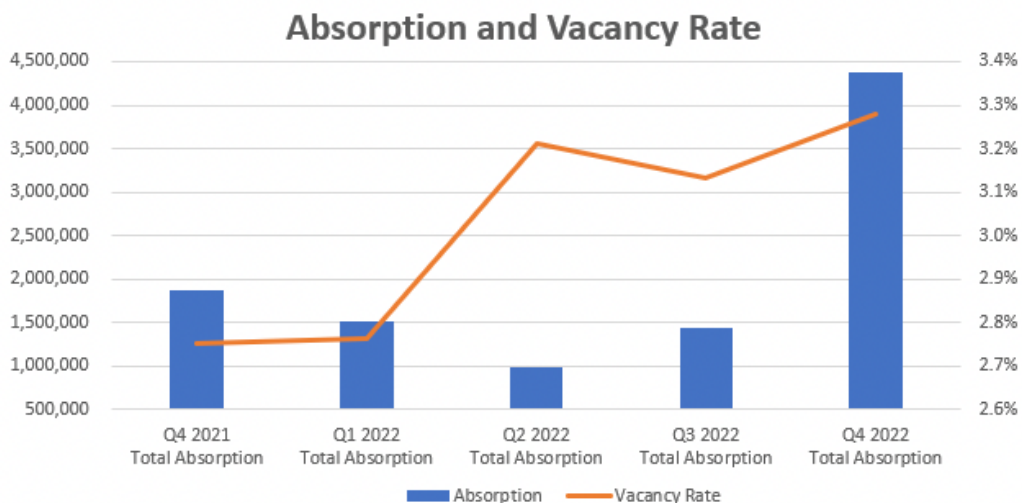
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	292	13,157,270	997,495	901,339	53,953	117,521	6.9%
Manufacturing	2,176	176,217,330	3,836,029	2,846,610	50,152	461,459	1.6%
Warehouse Distribution	798	120,772,937	7,525,165	5,558,998	3,878,078	6,109,622	4.6%
Warehouse Office	2,102	64,060,231	4,941,856	2,965,409	386,442	1,154,466	4.6%
Grand Total	5,368	374,207,768	17,300,545	12,272,356	4,368,625	7,843,068	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	292	13,157,270	974,937	890,130	53,953	92,040	6.8%
Manufacturing	2,176	176,217,330	3,723,235	2,771,316	125,446	536,753	1.6%
Warehouse Distribution	798	120,772,937	6,735,246	5,477,310	3,396,674	6,524,837	4.5%
Warehouse Office	2,102	64,060,231	4,807,374	2,866,421	473,430	1,238,254	4.5%
Grand Total	5,368	374,207,768	16,240,792	12,005,177	4,049,503	8,391,884	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	292	13,157,270	22,558	11,209	0	25,481	0.1%
Manufacturing	2,176	176,217,330	112,794	75,294	(75,294)	(75,294)	0.0%
Warehouse Distribution	798	120,772,937	789,919	81,688	481,404	66,189	0.1%
Warehouse Office	2,102	64,060,231	134,482	98,988	(86,988)	(83,788)	0.2%
Grand Total	5,368	374,207,768	1,059,753	267,179	319,122	(67,412)	0.1%



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%
	Manufacturing	103	7,830,168			0	0	0.0%
	Warehouse Distribution	101	35,589,418	2,430,945	2,227,526	3,532,103	5,778,669	6.3%
	Warehouse Office	70	2,944,634	319,893	2,400	11,734	174,234	0.1%
	Subtotal	282	47,046,819	2,750,838	2,229,926	3,551,837	5,960,903	4.7%
Milwaukee	Flex/R&D	60	3,175,013	626,156	561,226	47,894	(43,285)	17.7%
	Manufacturing	671	60,679,698	2,851,028	2,384,977	(79,522)	(239,667)	3.9%
	Warehouse Distribution	298	34,238,343	2,305,888	1,490,602	20,804	466,464	4.4%
	Warehouse Office	676	23,520,291	2,421,065	1,472,437	49,283	118,876	6.3%
	Subtotal	1,705	121,613,345	8,204,137	5,909,242	38,459	302,388	4.9%
Ozaukee	Flex/R&D	21	652,913	70,694	31,893	8,002	22,615	4.9%
	Manufacturing	118	9,041,752	212,060	217,706	(41,800)	278,348	2.4%
	Warehouse Distribution	16	2,149,211	6,001	6,001	0	(6,001)	0.3%
	Warehouse Office	65	2,352,488	99,547	62,490	(7,045)	413,878	2.7%
	Subtotal	220	14,196,364	388,302	318,090	(40,843)	708,840	2.2%
Racine	Flex/R&D	12	668,128	35,290	35,290	6,844	9,482	5.3%
	Manufacturing	189	17,425,319	17,934	17,934	157,674	145,674	0.1%
	Warehouse Distribution	78	12,886,113	1,427,233	1,427,233	(529,221)	(555,047)	11.1%
	Warehouse Office	140	5,041,752	892,715	886,167	0	24,480	17.6%
	Subtotal	419	36,021,312	2,373,172	2,366,624	(364,703)	(375,411)	6.6%
Sheboygan	Flex/R&D	1	30,720		5,000	5,080	5,080	16.3%
	Manufacturing	151	19,553,711	192,014	43,525	0	0	0.2%
	Warehouse Distribution	35	5,145,042	221,029		0	0	0.0%
	Warehouse Office	90	2,327,472	88,220		0	0	0.0%
	Subtotal	277	27,056,945	501,263	48,525	5,080	5,080	0.2%
Walworth	Flex/R&D	4	94,396			0	0	0.0%
	Manufacturing	124	9,541,727	98,630	19,336	0	(19,336)	0.2%
	Warehouse Distribution	30	2,964,510			70,500	146,900	0.0%
	Warehouse Office	73	1,959,352	113,002	40,000	0	10,000	2.0%
	Subtotal	231	14,559,985	211,632	59,336	70,500	137,564	0.4%
Washington	Flex/R&D	15	528,613	39,011	36,168	0	(36,168)	6.8%
	Manufacturing	234	14,904,050	133,750	61,640	0	134,784	0.4%
	Warehouse Distribution	77	10,007,532	822,236	319,832	783,892	132,732	3.2%
	Warehouse Office	173	4,457,441	184,562	101,524	206,709	240,237	2.3%
	Subtotal	499	29,897,636	1,179,559	519,164	990,601	471,585	1.7%
Waukesha	Flex/R&D	171	7,324,888	226,344	231,762	(21,867)	151,797	3.2%
	Manufacturing	586	37,240,905	330,613	101,492	13,800	161,656	0.3%
	Warehouse Distribution	163	17,792,768	311,833	87,804	0	145,905	0.5%
	Warehouse Office	815	21,456,801	822,852	400,391	125,761	172,761	1.9%
	Subtotal	1,735	83,815,362	1,691,642	821,449	117,694	632,119	1.0%
Grand Total		5,368	374,207,768	17,300,545	12,272,356	4,368,625	7,843,068	3.3%

Vacancy Rates by County (Multi and Single Tenant)

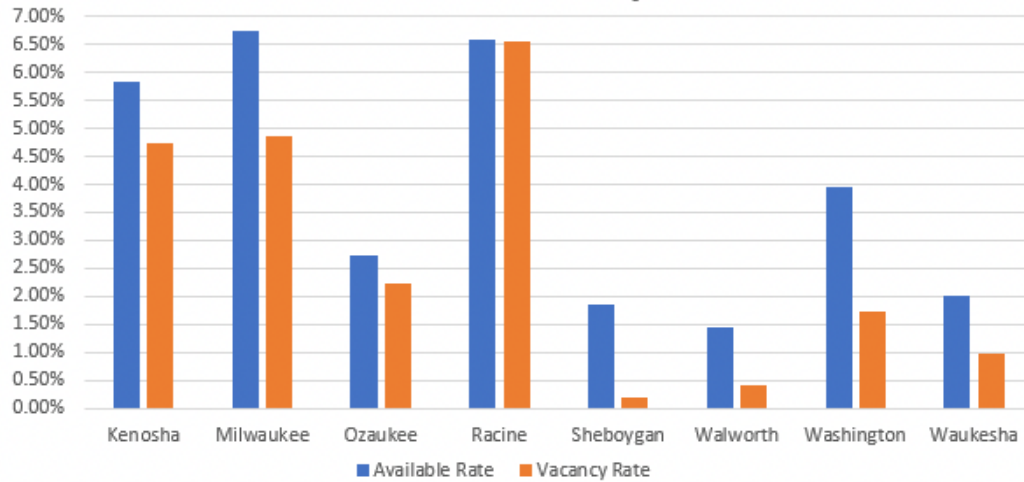
County	Property Type	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
		Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
Kenosha	Flex/R&D	1.2%	1.2%	1.2%	1.2%	0.0%
	Manufacturing	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	3.5%	3.5%	5.5%	6.4%	6.3%
	Warehouse Office	0.5%	0.5%	0.5%	0.5%	0.1%
	Subtotal	2.6%	2.6%	4.1%	4.7%	4.7%
Milwaukee	Flex/R&D	16.3%	14.6%	19.3%	19.2%	17.7%
	Manufacturing	3.4%	3.1%	3.7%	4.4%	3.9%
	Warehouse Distribution	3.3%	3.5%	4.4%	3.0%	4.4%
	Warehouse Office	6.2%	6.2%	6.1%	6.1%	6.3%
	Subtotal	4.3%	4.1%	4.8%	4.7%	4.9%
Ozaukee	Flex/R&D	8.3%	8.3%	9.5%	6.1%	4.9%
	Manufacturing	2.8%	4.4%	4.1%	1.9%	2.4%
	Warehouse Distribution	0.0%	0.3%	0.3%	0.3%	0.3%
	Warehouse Office	20.2%	15.8%	2.6%	2.4%	2.7%
	Subtotal	5.6%	5.8%	3.5%	2.0%	2.2%
Racine	Flex/R&D	2.2%	2.2%	6.0%	6.0%	5.3%
	Manufacturing	0.9%	0.9%	0.9%	1.0%	0.1%
	Warehouse Distribution	2.3%	1.9%	5.4%	5.0%	11.1%
	Warehouse Office	10.2%	10.2%	10.2%	9.6%	17.6%
	Subtotal	2.6%	2.5%	3.8%	3.6%	6.6%
Sheboygan	Flex/R&D	32.8%	32.8%	32.8%	32.8%	16.3%
	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	0.0%	0.0%	0.0%	0.0%	0.0%
	Subtotal	0.2%	0.2%	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%	0.3%	0.2%	0.2%
	Warehouse Distribution	5.0%	5.0%	5.0%	2.4%	0.0%
	Warehouse Office	2.6%	2.0%	2.0%	2.0%	2.0%
	Subtotal	1.4%	1.3%	1.5%	0.9%	0.4%
Washington	Flex/R&D	0.0%	0.0%	0.0%	6.8%	6.8%
	Manufacturing	0.8%	0.8%	0.6%	0.4%	0.4%
	Warehouse Distribution	4.2%	4.2%	6.2%	6.0%	3.2%
	Warehouse Office	3.2%	2.9%	2.7%	2.5%	2.3%
	Subtotal	2.3%	2.2%	2.7%	2.6%	1.7%
Waukesha	Flex/R&D	2.4%	2.4%	2.6%	2.9%	3.2%
	Manufacturing	1.5%	1.6%	1.4%	1.1%	0.3%
	Warehouse Distribution	1.3%	0.8%	0.7%	0.5%	0.5%
	Warehouse Office	1.2%	2.7%	2.4%	2.4%	1.9%
	Subtotal	1.4%	1.8%	1.6%	1.4%	1.0%
Grand Total		2.8%	2.8%	3.2%	3.1%	3.3%

Lease Rates by County (Multi and Single Tenant)

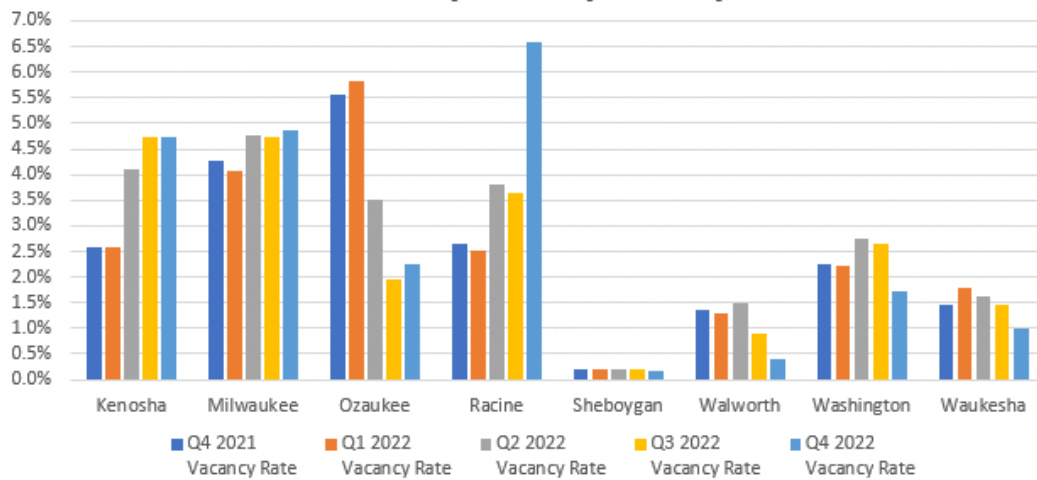
County	Property Type	Q4 2021 Lease Rate	Q1 2022 Lease Rate	Q2 2022 Lease Rate	Q3 2022 Lease Rate	Q4 2022 Lease Rate
Kenosha	Flex/R&D	\$5.61	\$5.61	\$7.38	\$7.38	
	Manufacturing					
	Warehouse Distribution	\$5.06	\$5.25	\$5.25	\$5.25	\$5.25
	Warehouse Office					
	Subtotal	\$5.25	\$5.40	\$5.78	\$5.78	\$5.25
Milwaukee	Flex/R&D	\$6.78	\$7.16	\$6.91	\$6.77	\$6.68
	Manufacturing	\$4.30	\$4.54	\$4.42	\$4.43	\$4.87
	Warehouse Distribution	\$5.31	\$5.38	\$5.33	\$5.47	\$5.47
	Warehouse Office	\$4.90	\$4.91	\$5.32	\$5.13	\$5.10
	Subtotal	\$4.96	\$5.06	\$5.22	\$5.13	\$5.27
Ozaukee	Flex/R&D	\$8.17	\$8.17	\$8.22	\$9.15	\$9.15
	Manufacturing	\$4.00	\$4.63	\$4.63	\$3.50	\$4.43
	Warehouse Distribution		\$5.50	\$5.50	\$5.50	\$5.50
	Warehouse Office	\$6.36	\$6.44	\$7.63	\$9.75	\$9.35
	Subtotal	\$6.97	\$6.78	\$7.11	\$8.32	\$8.14
Racine	Flex/R&D			\$11.25	\$11.25	\$11.25
	Manufacturing	\$5.18	\$6.00	\$6.00	\$6.00	\$4.98
	Warehouse Distribution	\$5.29	\$5.12	\$5.46	\$4.70	\$4.70
	Warehouse Office					
	Subtotal	\$5.25	\$5.34	\$6.52	\$6.66	\$6.12
Sheboygan	Flex/R&D	\$4.85	\$4.85	\$4.85	\$4.85	
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office					
	Subtotal	\$4.85	\$4.85	\$4.85	\$4.85	
Walworth	Flex/R&D					
	Manufacturing	\$2.75	\$4.00	\$4.00	\$4.25	\$4.82
	Warehouse Distribution	\$4.50	\$4.50	\$4.50	\$5.25	
	Warehouse Office	\$3.50		\$6.75	\$8.50	\$8.50
	Subtotal	\$3.58	\$4.17	\$5.20	\$5.56	\$5.74
Washington	Flex/R&D	\$5.75	\$5.75	\$6.58	\$6.58	\$5.38
	Manufacturing	\$4.44	\$4.44	\$4.44	\$4.25	\$3.63
	Warehouse Distribution	\$5.24	\$5.24	\$5.11	\$5.88	\$5.88
	Warehouse Office	\$6.10	\$6.38	\$6.57	\$6.19	\$6.03
	Subtotal	\$5.56	\$5.61	\$5.90	\$5.82	\$5.32
Waukesha	Flex/R&D	\$7.76	\$7.36	\$7.64	\$7.79	\$8.08
	Manufacturing	\$5.84	\$5.68	\$5.38	\$6.31	\$6.40
	Warehouse Distribution	\$5.78	\$5.99	\$7.05	\$7.65	\$7.65
	Warehouse Office	\$6.41	\$6.41	\$7.10	\$6.82	\$6.97
	Subtotal	\$6.77	\$6.64	\$7.20	\$7.21	\$7.37
Grand Total		\$5.64	\$5.69	\$5.99	\$6.07	\$6.17

Multi and Single Tenant

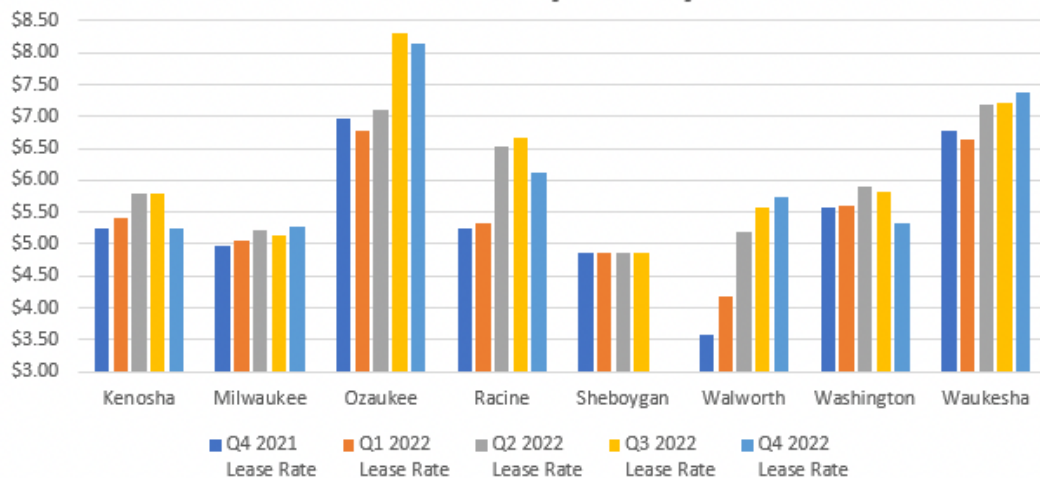
Available and Vacancy Rates



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	229	9,912,216	832,695	736,539	24,019	37,387	7.4%
Manufacturing	167	18,346,015	1,245,741	1,069,681	(76,194)	376,101	5.8%
Warehouse Distribution	231	38,960,754	5,596,737	3,892,798	613,033	1,983,893	10.0%
Warehouse Office	567	23,212,616	3,640,587	2,550,671	60,142	517,079	11.0%
Grand Total	1,194	90,431,601	11,315,760	8,249,689	621,000	2,914,460	9.1%

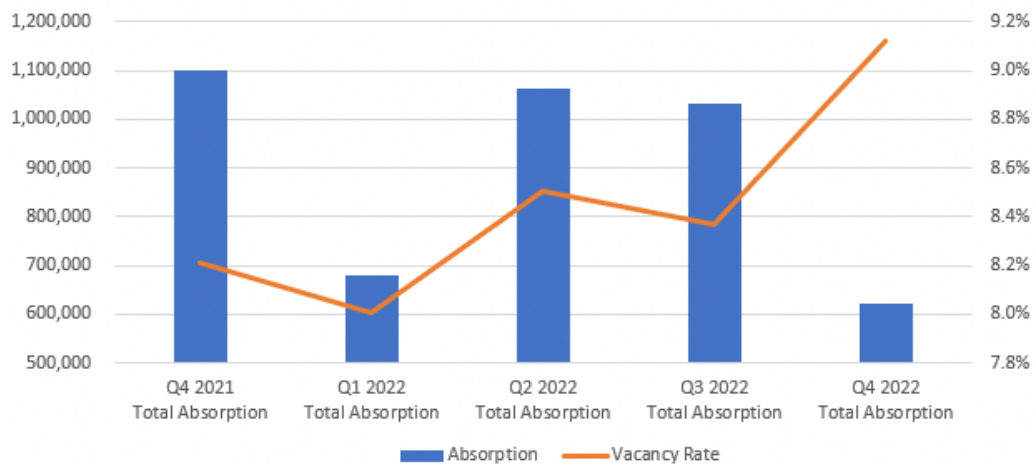
Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	229	9,912,216	810,137	725,330	24,019	11,906	7.3%
Manufacturing	167	18,346,015	1,170,447	994,387	(900)	451,395	5.4%
Warehouse Distribution	231	38,960,754	5,028,706	3,882,998	131,629	1,845,816	10.0%
Warehouse Office	567	23,212,616	3,506,105	2,451,683	147,130	600,867	10.6%
Grand Total	1,194	90,431,601	10,515,395	8,054,398	301,878	2,909,984	8.9%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	229	9,912,216	22,558	11,209	0	25,481	0.1%
Manufacturing	167	18,346,015	75,294	75,294	(75,294)	(75,294)	0.4%
Warehouse Distribution	231	38,960,754	568,031	9,800	481,404	619,481	0.0%
Warehouse Office	567	23,212,616	134,482	98,988	(86,988)	(83,788)	0.4%
Grand Total	1,194	90,431,601	800,365	195,291	319,122	485,880	0.2%

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%
	Manufacturing	5	1,120,945			0	0	0.0%
	Warehouse Distribution	32	9,742,210	2,430,945	2,204,167	0	1,007,179	22.6%
	Warehouse Office	11	657,354	290,146	2,400	11,734	11,734	0.4%
	Subtotal	55	12,172,820	2,721,091	2,206,567	19,734	1,026,913	18.1%
Milwaukee	Flex/R&D	47	2,355,327	461,356	396,426	17,960	91,581	16.8%
	Manufacturing	67	10,122,864	982,538	899,022	(79,994)	237,527	8.9%
	Warehouse Distribution	103	13,855,446	1,643,483	1,084,934	61,129	587,252	7.8%
	Warehouse Office	196	9,954,382	1,860,488	1,236,552	(108,096)	(149,137)	12.4%
	Subtotal	413	36,288,019	4,947,865	3,616,934	(109,001)	767,223	10.0%
Ozaukee	Flex/R&D	19	614,555	70,694	31,893	8,002	22,615	5.2%
	Manufacturing	9	1,021,129	98,956	98,956	0	3,800	9.7%
	Warehouse Distribution	2	474,845	6,001	6,001	0	(6,001)	1.3%
	Warehouse Office	20	965,993	79,314	53,030	(7,045)	315,146	5.5%
	Subtotal	50	3,076,522	254,965	189,880	957	335,560	6.2%
Racine	Flex/R&D	7	349,966	35,290	35,290	6,844	9,482	10.1%
	Manufacturing	11	1,291,078	5,614	5,614	0	0	0.4%
	Warehouse Distribution	25	5,067,403	190,060	190,060	0	89,367	3.8%
	Warehouse Office	27	1,920,189	892,715	886,167	0	24,480	46.1%
	Subtotal	70	8,628,636	1,123,679	1,117,131	6,844	123,329	12.9%
Sheboygan	Flex/R&D	1	30,720		5,000	5,080	5,080	16.3%
	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	221,029	5,000	5,080	5,080	0.3%
Walworth	Flex/R&D	3	55,027			0	0	0.0%
	Manufacturing	3	82,001	40,294		0	0	0.0%
	Warehouse Distribution	5	523,862			70,500	146,900	0.0%
	Warehouse Office	9	408,412	25,000	25,000	0	0	6.1%
	Subtotal	20	1,069,302	65,294	25,000	70,500	146,900	2.3%
Washington	Flex/R&D	10	429,042	39,011	36,168	0	(36,168)	8.4%
	Manufacturing	19	735,580	75,250	39,000	0	0	5.3%
	Warehouse Distribution	16	3,458,566	811,236	319,832	481,404	113,000	9.2%
	Warehouse Office	53	1,486,653	129,004	72,564	6,429	25,437	4.9%
	Subtotal	98	6,109,841	1,054,501	467,564	487,833	102,269	7.7%
Waukesha	Flex/R&D	135	5,425,268	226,344	231,762	(21,867)	(63,203)	4.3%
	Manufacturing	45	3,232,544	43,089	27,089	3,800	134,774	0.8%
	Warehouse Distribution	45	5,112,827	293,983	87,804	0	46,196	1.7%
	Warehouse Office	239	7,385,487	363,920	274,958	157,120	289,419	3.7%
	Subtotal	464	21,156,126	927,336	621,613	139,053	407,186	2.9%
Grand Total		1,194	90,431,601	11,315,760	8,249,689	621,000	2,914,460	9.1%

Vacancy Rates by County (Multi-Tenant)

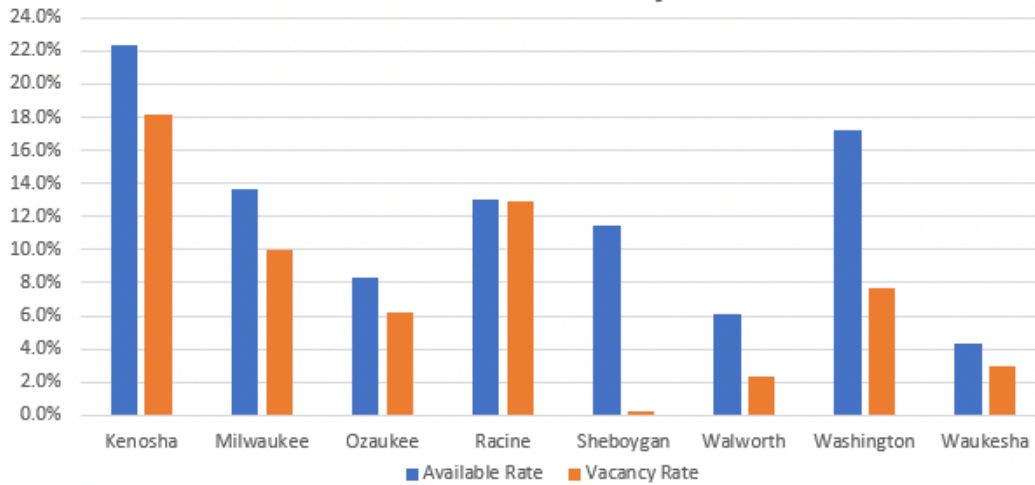
County	Property Type	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
		Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
Kenosha	Flex/R&D	1.2%	1.2%	1.2%	1.2%	0.0%
	Manufacturing	0.0%	0.0%	0.0%	0.0%	0.0%
	Warehouse Distribution	12.7%	12.8%	18.0%	20.3%	22.6%
	Warehouse Office	2.1%	2.1%	2.2%	2.2%	0.4%
	Subtotal	9.8%	10.0%	14.4%	16.4%	18.1%
Milwaukee	Flex/R&D	20.7%	18.4%	17.7%	17.6%	16.8%
	Manufacturing	11.0%	7.9%	8.0%	8.1%	8.9%
	Warehouse Distribution	6.3%	6.0%	8.4%	4.8%	7.8%
	Warehouse Office	11.2%	11.2%	11.5%	11.7%	12.4%
	Subtotal	9.9%	8.8%	9.8%	8.5%	10.0%
Ozaukee	Flex/R&D	8.8%	8.8%	10.2%	6.5%	5.2%
	Manufacturing	10.1%	9.7%	9.7%	9.7%	9.7%
	Warehouse Distribution	0.0%	1.3%	1.3%	1.3%	1.3%
	Warehouse Office	38.1%	37.5%	5.4%	4.8%	5.5%
	Subtotal	17.3%	17.1%	7.1%	6.2%	6.2%
Racine	Flex/R&D	4.2%	4.2%	11.1%	11.1%	10.1%
	Manufacturing	0.4%	0.4%	0.4%	0.4%	0.4%
	Warehouse Distribution	5.5%	4.7%	4.7%	3.8%	3.8%
	Warehouse Office	31.7%	31.7%	31.7%	30.0%	46.1%
	Subtotal	9.4%	8.9%	9.2%	8.3%	12.9%
Sheboygan	Flex/R&D	32.8%	32.8%	32.8%	32.8%	16.3%
	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%	0.3%
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	28.0%	28.0%	28.0%	13.5%	0.0%
	Warehouse Office	6.1%	6.1%	6.1%	6.1%	6.1%
	Subtotal	16.1%	16.1%	16.1%	8.9%	2.3%
Washington	Flex/R&D	0.0%	0.0%	0.0%	8.4%	8.4%
	Manufacturing	5.3%	5.3%	5.3%	5.3%	5.3%
	Warehouse Distribution	7.9%	7.9%	4.2%	17.6%	9.2%
	Warehouse Office	6.5%	6.6%	6.0%	5.3%	4.9%
	Subtotal	6.5%	6.5%	4.5%	12.3%	7.7%
Waukesha	Flex/R&D	3.1%	3.3%	3.5%	3.9%	4.3%
	Manufacturing	5.0%	5.0%	5.0%	1.0%	0.8%
	Warehouse Distribution	2.6%	2.8%	2.4%	1.7%	1.7%
	Warehouse Office	3.5%	6.8%	6.1%	5.8%	3.7%
	Subtotal	3.4%	4.7%	4.4%	3.6%	2.9%
Grand Total		8.2%	8.0%	8.5%	8.4%	9.1%

Lease Rates by County (Multi-Tenant)

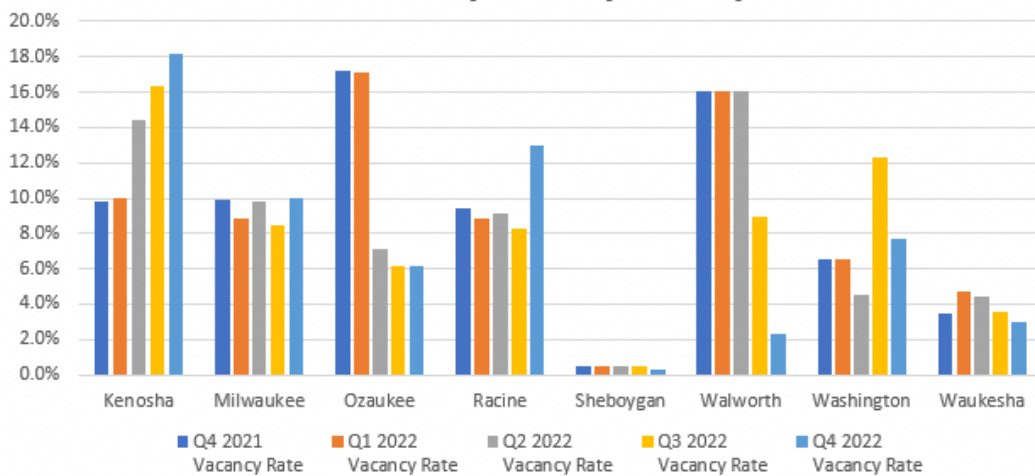
County	Property Type	Q4 2021 Lease Rate	Q1 2022 Lease Rate	Q2 2022 Lease Rate	Q3 2022 Lease Rate	Q4 2022 Lease Rate
Kenosha	Flex/R&D	\$5.61	\$5.61	\$7.38	\$7.38	
	Manufacturing					
	Warehouse Distribution	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25
	Warehouse Office					
	Subtotal	\$5.40	\$5.40	\$5.78	\$5.78	\$5.25
Milwaukee	Flex/R&D	\$6.86	\$7.31	\$7.02	\$6.85	\$6.68
	Manufacturing	\$3.85	\$3.85	\$3.94	\$3.98	\$4.07
	Warehouse Distribution	\$5.17	\$5.24	\$5.24	\$5.37	\$5.32
	Warehouse Office	\$4.87	\$4.73	\$4.76	\$4.85	\$4.97
	Subtotal	\$4.96	\$4.95	\$4.94	\$4.98	\$5.13
Ozaukee	Flex/R&D	\$8.17	\$8.17	\$8.22	\$9.15	\$9.15
	Manufacturing					
	Warehouse Distribution		\$5.50	\$5.50	\$5.50	\$5.50
	Warehouse Office	\$6.26	\$6.33	\$8.50	\$11.25	\$10.00
	Subtotal	\$7.32	\$7.26	\$7.87	\$9.23	\$9.01
Racine	Flex/R&D			\$11.25	\$11.25	\$11.25
	Manufacturing	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
	Warehouse Distribution	\$5.29	\$5.12	\$5.46	\$4.70	\$4.70
	Warehouse Office					
	Subtotal	\$5.43	\$5.34	\$6.52	\$6.66	\$6.66
Sheboygan	Flex/R&D	\$4.85	\$4.85	\$4.85	\$4.85	
	Manufacturing					
	Warehouse Distribution					
	Warehouse Office					
	Subtotal	\$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	\$4.50	\$4.50	\$4.50	\$5.25	
	Warehouse Office					
	Subtotal	\$3.63	\$3.63	\$3.63	\$4.00	\$2.75
Washington	Flex/R&D	\$5.75	\$5.75	\$6.58	\$6.58	\$5.38
	Manufacturing	\$3.63	\$3.63	\$3.63	\$3.63	\$3.63
	Warehouse Distribution	\$5.24	\$5.24	\$5.11	\$5.88	\$5.88
	Warehouse Office	\$6.51	\$6.72	\$6.92	\$6.52	\$7.00
	Subtotal	\$5.66	\$5.68	\$6.06	\$5.89	\$5.25
Waukesha	Flex/R&D	\$7.55	\$7.36	\$7.64	\$7.79	\$8.08
	Manufacturing	\$5.95	\$5.95	\$5.95	\$6.08	\$5.95
	Warehouse Distribution	\$5.84	\$6.20	\$7.05	\$7.65	\$7.65
	Warehouse Office	\$6.39	\$6.25	\$7.35	\$6.83	\$6.80
	Subtotal	\$6.84	\$6.78	\$7.38	\$7.32	\$7.45
Grand Total		\$5.74	\$5.75	\$5.98	\$6.12	\$6.15

Multi-Tenant

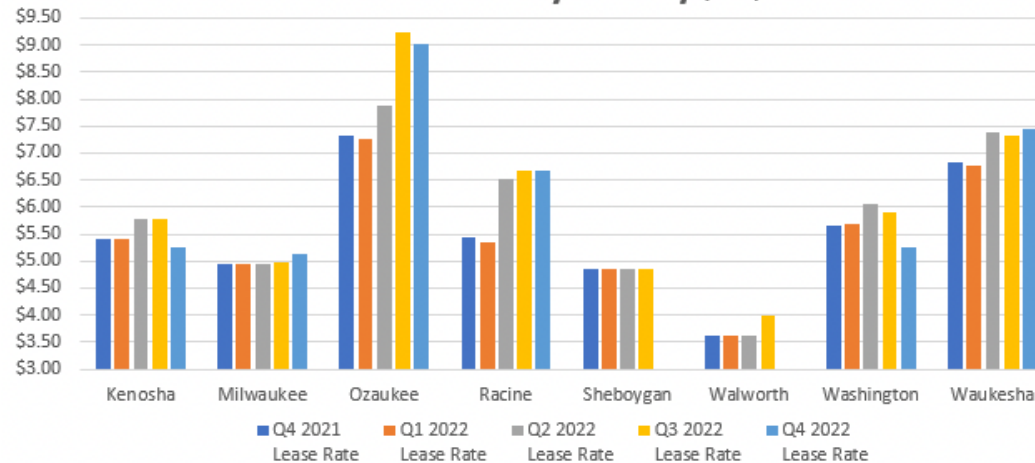
Available and Vacancy Rates



Vacancy Rate by County

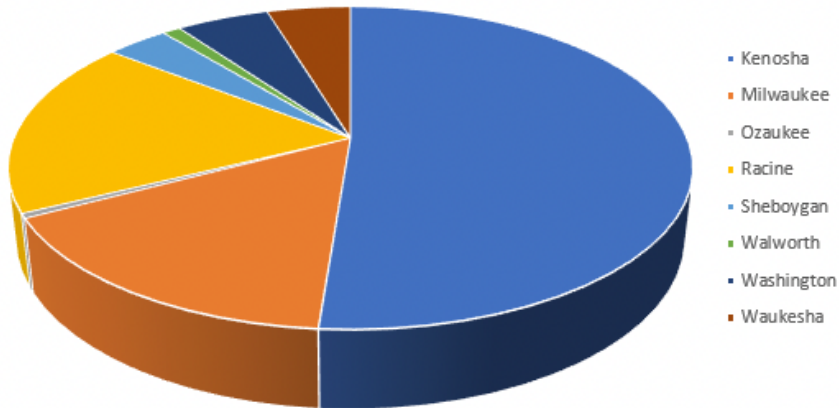


Lease Rates by County (NNN)



New Developments

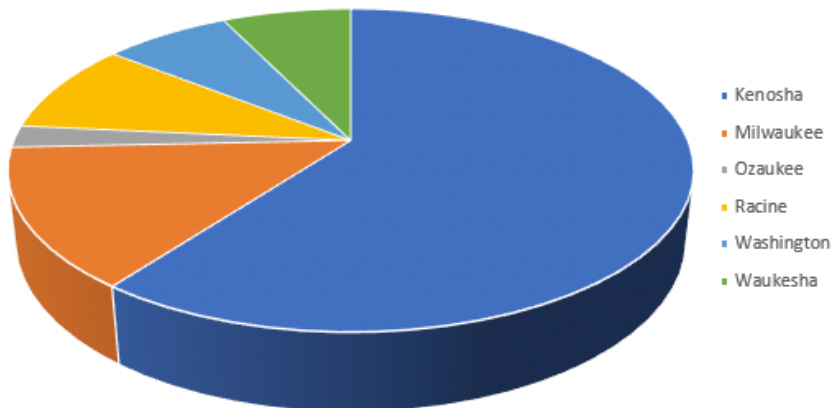
Under Construction (sf)



County	Bldg (sf)
Kenosha	4,038,391
Milwaukee	1,257,734
Ozaukee	36,843
Racine	1,408,384
Sheboygan	276,000
Walworth	80,951
Washington	412,554
Waukesha	370,887
Grand Total	7,881,744

Year to Date Deliveries

YTD Delivered (sf)

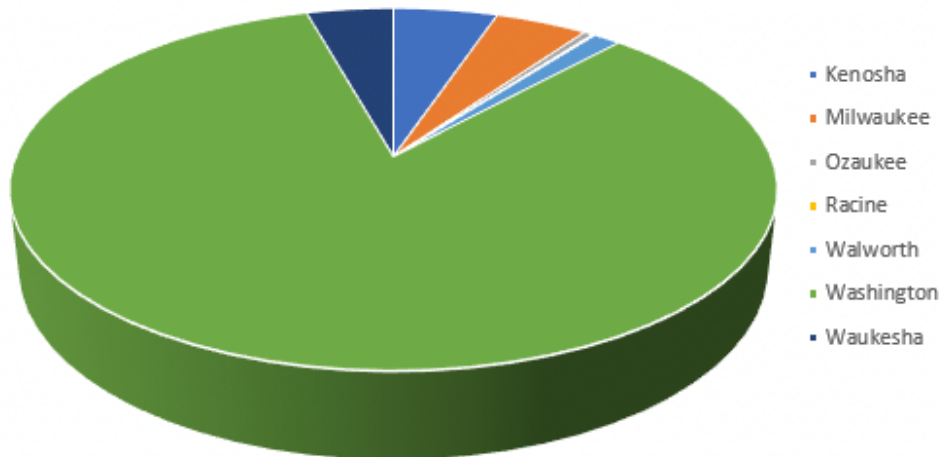


County	Bldg (sf)
Kenosha	6,867,215
Milwaukee	1,595,636
Ozaukee	250,000
Racine	1,035,746
Washington	814,350
Waukesha	825,289
Grand Total	11,388,236

Leasing Activity

Property	Size (sf)	County	Tenant	Landlord
Zilber Industrial I 12800 Holy Hill Rd	417,044	Washington	Generac (sublease)	Briggs & Stratton
10200 55th St	270,290	Kenosha	Precision Lab	Harrison Street Real Estate Capital
214 N Wright St	70,500	Walworth	Pentair	MPI Wright Delavan LLC
6101 N 64th St	56,000	Milwaukee	Wisconsin Department of Health Services	CMK 64TH Street LLC
W204 N13035 Goldendale Rd	52,000	Washington	Felins	The Dickman Company

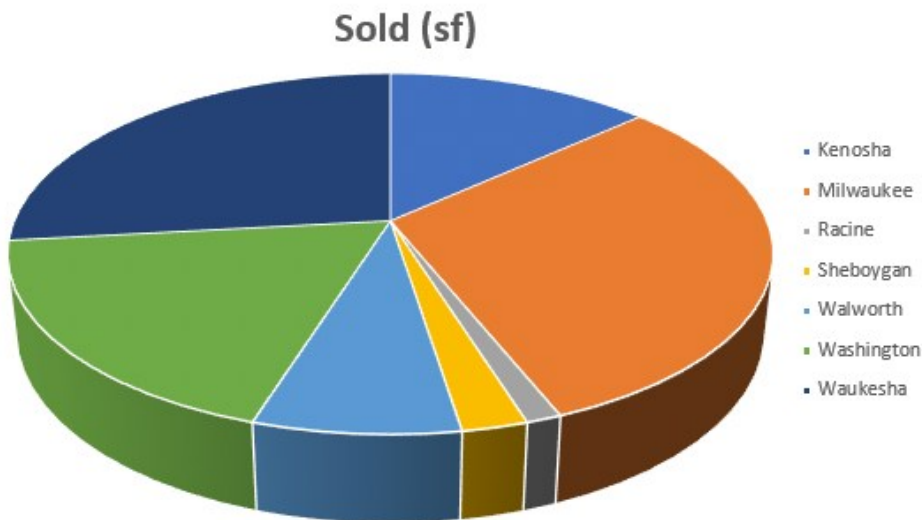
Lease (sf)



County	Lease (sf)
Kenosha	270,290
Milwaukee	239,968
Ozaukee	23,096
Racine	6,844
Walworth	70,500
Washington	4,332,173
Waukesha	224,882
Grand Total	5,167,753

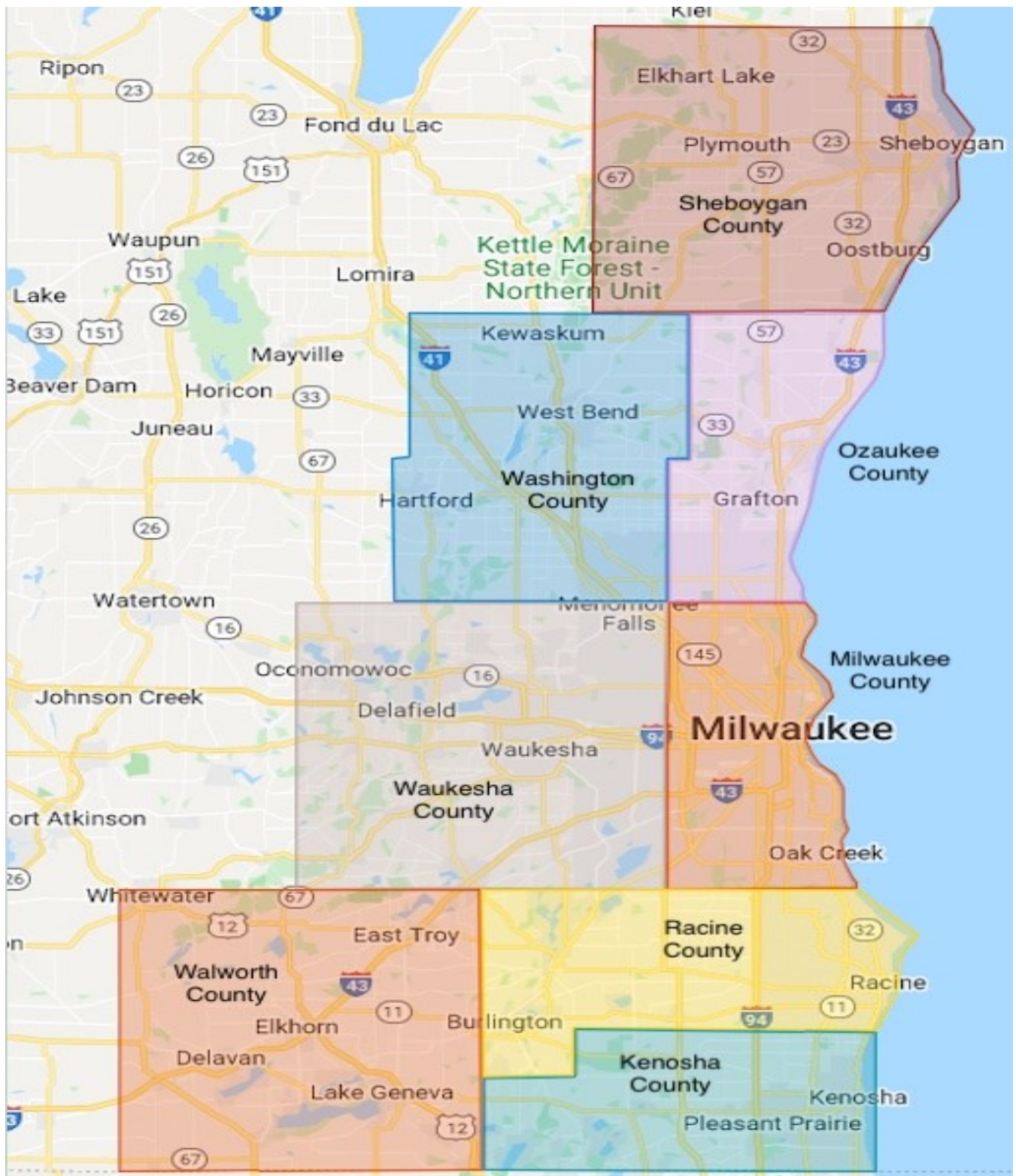
Sales Activity

Property	Price	County	Buyer	Seller
6222 77th Ave	\$28,150,000	Kenosha	6222 77th Avenue Investors LLC	Opus Holding LLC
N102 W19300 Willow Creek Way	\$21,344,484	Washington	JES Germantown Industrial LLC	BV Ryan Willow Creek I Owner LLC
W132 N10611 Grant Dr	\$12,850,000	Washington	Grant Dr Germantown WI LLC	MacArthur Partners, LLC
S64 W15586 Commerce Center Pkwy	\$8,650,000	Waukesha	MKE I CGS, LLC	HSI Muskego Industrial LLC
2969 S Chase Ave	\$7,735,000	Milwaukee	KCB New Blueprint Partners JV LLC	2969 Chase Avenue LLC



County	Sold (sf)
Kenosha	297,679
Milwaukee	682,329
Racine	28,259
Sheboygan	52,655
Walworth	165,173
Washington	409,934
Waukesha	597,407
Grand Total	2,233,436

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

Advisory Board Members

CBRE	Scott Furmanski Alissa Harwood Trent Poole	JLL	Joe Carollo Tony Haning
Colliers	Kyle Fink Jim Larkin	Judson Newmark	Matt Judson Cole Russell Mitchell Starczynski
Cushman & Wakefield Boerke	Nick Unger Cody Ziegler	Ogden	Luke Fehrenbach Bob Gintoft
Founders 3	Brett Deter Paul McBride	Paradigm	Matt Friedman Jim Johnson Brian Parrish

Research Advisory Board Members

Colliers	Maggie Blair Jake Best	Cushman & Wakefield Boerke	Katie Gremban Dan Palec
Newmark	Nate Winkel	Founders 3 JLL	Elizabeth Pancratz Laura Russell

REDIComps Team

Jeremy Bengtson	CEO	jeremy@redicomps.com	
Chris Allen	Regional Director of Analytics	chris@redicomps.com	952-456-1669
Kim Platz	Regional Director of Research	kim@redicomps.com	816-651-6686
Molly Bengtson	Director of Client Services	molly@redicomps.com	715-475-9876
Leann Reichertz	Wisconsin Sale Comp Specialist	leann@redicomps.com	
Summer Jones	Wisconsin Listing Specialist	summer@redicomps.com	816-726-1133
Michelle Siegert	Wisconsin Listing Specialist	michelle@redicomps.com	816-230-0116
Tracy Johnson	President & CEO - CARW	tracy@carw.com	414-271-2021