



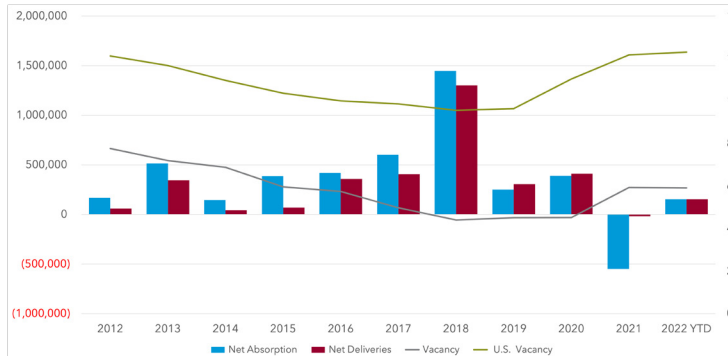
### OFFICE MARKET OVERVIEW

CAMP PERRET, *Vice President*

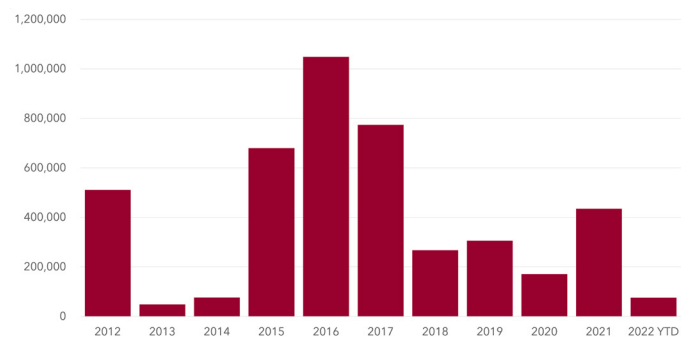
The Madison Office Market continues to recover. Vacancy rates are trending down while lease rates and sales prices remain steady. The Madison vacancy rate of 5.8% continues to be lower than the US vacancy rate of 12.2%. Sales volumes have been steady over the past 3 quarters. The unemployment rate in the market remains well below the US, keeping the local economy strong, but office employers may continue to evaluate future space needs leaving demand soft through 2022.

MARKET INDICATORS	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
▲ 12 Mo. Net Absorption SF	30,873	(548,816)	(691,557)	(603,806)	(242,920)
▼ Vacancy Rate	5.8%	5.9%	6.0%	6.1%	5.5%
▲ Avg NNN Asking Rate PSF	\$22.04	\$22.01	\$21.96	\$21.76	\$21.59
▼ SF Under Construction	343,000	497,000	403,060	413,432	462,920
▲ Inventory SF	37,724,226	37,570,226	37,501,366	37,623,341	37,581,063

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
122 State Street Madison, WI	35,851 SF	\$363,621 \$10.14 PSF	Cox Rentals LLC Park Bank	Class B
702 E. Washington Avenue Madison, WI	23,250 SF	\$3,500,000 \$150.54 PSF	Dch Properties LLC Salvation Army	Class B
637 E. Washington Avenue Madison, WI	21,296 SF	\$2,150,000 \$100.96 PSF	Undisclosed Reynolds Investments LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1117-1125 Deming Way Madison, WI	31,940 SF	Healthgrades	Undisclosed	Undisclosed
1302 Deming Way Madison, WI	24,000 SF	Gialamas Company, Inc.	Undisclosed	Undisclosed
2921 Landmark Place Madison, WI	18,527 SF	MIG Commercial Real Estate, LLC	Undisclosed	Undisclosed

