



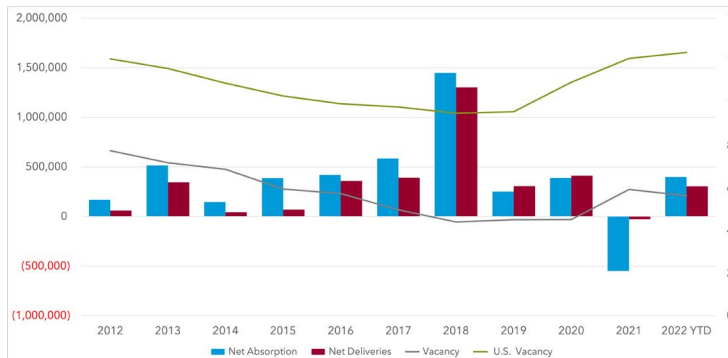
OFFICE MARKET OVERVIEW

CAMP PERRET, *Vice President*

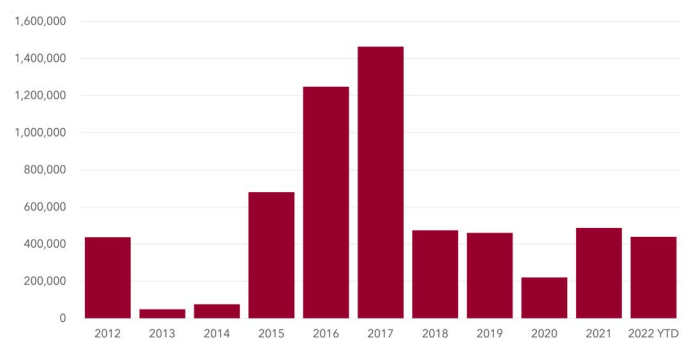
The Madison Office Market remains stable. The vacancy rate of 5.6% is well below the national average of 12.3%. Market rents are up 2.5% year over year. Leasing activity continues to increase. Sales have increased significantly as investors take interest in the resilient Madison market area. Construction starts are up. In addition to mainly owner occupied and build-to-suit projects, there has been an uptick in speculative projects.

MARKET INDICATORS	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
▲ 12 Mo. Net Absorption SF	419,826	30,873	(548,816)	(693,096)	(605,345)
▼ Vacancy Rate	5.6%	5.8%	5.9%	6.0%	6.1%
▲ Avg NNN Asking Rate PSF	\$22.27	\$22.26	\$22.19	\$22.05	\$21.80
▲ SF Under Construction	439,800	333,800	487,800	393,860	413,432
▲ Inventory SF	37,877,438	37,727,438	37,573,438	37,504,578	37,626,553

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1265 John Q. Hammonds Drive Madison, WI	66,000 SF	\$10,100,000 \$153.03 PSF	SARA Investment Real Estate Grop Health Cooperative	Class A
17 Applegate Court Madison, WI	20,800 SF	\$1,008,000 \$48.46 PSF	Applegate 17 LLC Applegate Partners LLC	Class B
2702 Agriculture Drive Madison, WI	19,200 SF	\$1,890,000 \$98.44 PSF	David Zielke Olympia Building Wisconsin	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1265 John Q. Hammonds Drive Madison, WI	58,080 SF	SARA Investment Real Estate	Group Health Cooperative	Health Care
John P. Livesey Boulevard Verona, WI	14,400 SF	Undisclosed	Undisclosed	Undisclosed
1241 John Q. Hammonds Drive Madison, WI	12,698 SF	The Gialamas Company, Inc.	Undisclosed	Undisclosed

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