



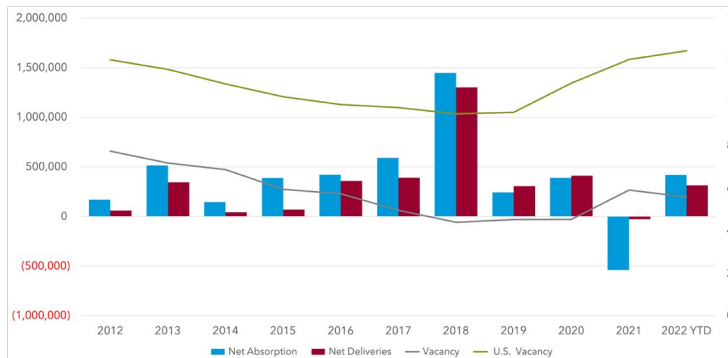
### OFFICE MARKET OVERVIEW

CAMP PERRET, *Vice President*

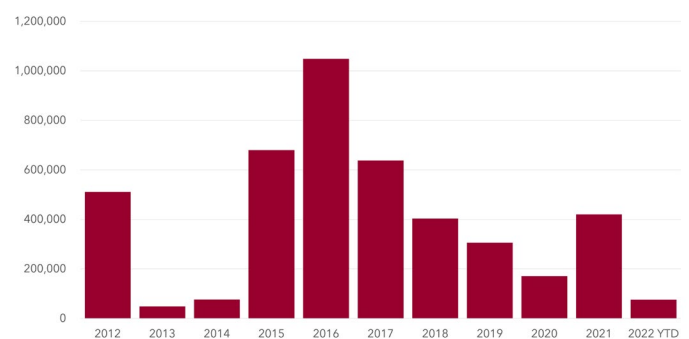
The Madison Office Market is stable. Recovery from the effects of the pandemic has been slow but steady and outperform the national averages. While leasing activity was down from Q2, sales volumes more than doubled in Q3, up \$31M over Q2. The unemployment rate in the Madison market is 2.2%, well below the US average, keeping the local economy strong. However, office employers continue to evaluate future space needs due to work-from-home trends.

MARKET INDICATORS	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
▲ 12 Mo. Net Absorption SF	463,202	432,726	30,373	(538,816)	(681,496)
▲ Vacancy Rate	5.7%	5.6%	5.8%	5.9%	6.0%
▲ Avg NNN Asking Rate PSF	\$22.53	\$22.47	\$22.45	\$22.33	\$22.11
▼ SF Under Construction	244,800	254,105	328,105	482,105	388,165
▲ Inventory SF	38,086,219	38,076,914	37,926,914	37,772,914	37,704,054

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10 Terrace Court Madison, WI	132,000 SF	\$11,900,000 \$90.15 PSF	DMB Community Bank The Gialamas Company, Inc.	Class A
131 W. Wilson Street Madison, WI	116,576 SF	\$6,990,000 \$59.96 PSF	Moment Residences LLC Wilco, LLC	Class B
30 E. Mifflin Street Madison, WI	81,510 SF	\$1,026,400 \$70.69 PSF	T. Wall Enterprises Mgt, LLC Executive Management, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1241 John Q. Hammonds Drive Madison, WI	21,080 SF	The Gialamas Company, Inc.	Undisclosed	Undisclosed
313 W. Beltline Highway Madison, WI	19,150 SF	Duane Steinhauer	Undisclosed	Undisclosed
610 N. Whitney Way Madison, WI	17,000 SF	Erdmann Ronald	Undisclosed	Undisclosed

