



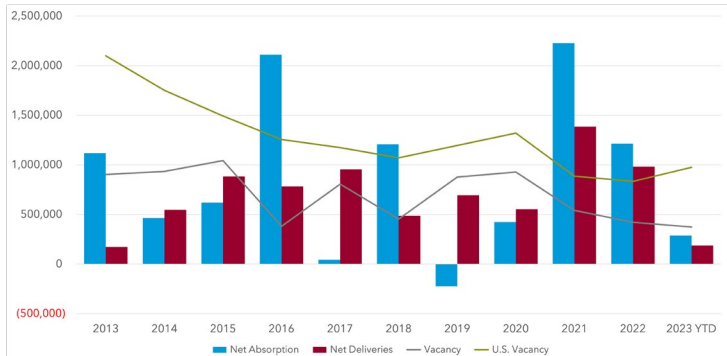
INDUSTRIAL MARKET OVERVIEW

CAMP PERRET, Vice President

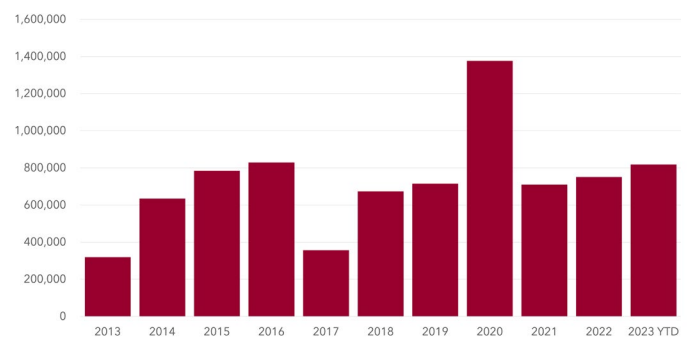
Demand in the Madison Industrial Market remains strong. Vacancy rates continue to decline; now at 2.6% which is lower than the national average of 4.4%. This in turn is pushing rental rates up to record levels giving landlords considerable pricing power. Demand continues to be greater than supply, making for a competitive environment. Construction starts were up for Q1, driven by the persistent need for warehouse and distribution facilities. Sales activity dipped slightly in Q1 due to limited sales stock. A positive forecast for the Madison Industrial Market is expected into the foreseeable future.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▲ 12 Mo. Net Absorption SF	1,362,807	1,213,579	1,177,604	1,395,341	1,924,826
▲ Vacancy Rate	2.5%	2.8%	3.4%	3.0%	2.9%
▲ Avg NNN Asking Rate PSF	\$7.33	\$7.21	\$7.12	\$7.01	\$6.87
▲ SF Under Construction	818,348	750,836	938,661	1,095,798	802,423
▲ Inventory SF	73,839,234	73,652,246	73,302,421	72,894,161	72,753,361

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5487 Blue Bill Park Drive Madison, WI	270,000 SF	\$14,231,250 \$52.71 PSF	Research Products Corp Ruedebusch Development LLC	Class C
350 Braun Road Oregon, WI	106,889 SF	\$4,197,600 \$39.27 PSF	GIC Real Estate STORE Capital Corporation	Class B
225 Bruce Street Verona, WI	14,423 SF	\$1,000,000 \$69.33 PSF	BruLin Group LLC Verona Commercial Investments	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2950 Innovation Way Sun Prairie, WI	82,000 SF	Interstate Partners	Undisclosed	Undisclosed
4349 Duraform Lane Windsor, WI	51,000 SF	Welton Enterprises, Inc.	Undisclosed	Undisclosed
2041 S. Stoughton Road Madison, WI	46,875 SF	Oakleaf Properties, Inc.	The Works Madison LLC	Manufacturing

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