



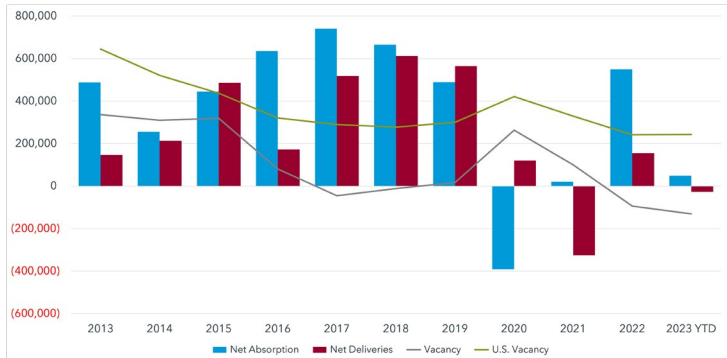
### RETAIL MARKET OVERVIEW

CAMP PERRET, Vice President

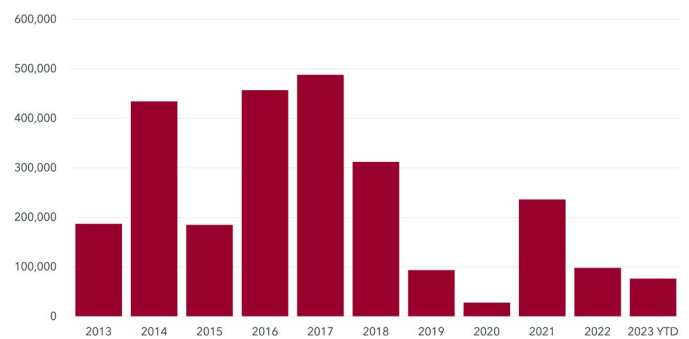
Among the 100 largest markets in the U.S., Madison's current retail vacancy rate of 2.3% is the lowest vacancy rate in the Midwest and the fourth lowest in the nation, which currently is averaging 4.2%. Limited retail inventory is pushing lease volumes down. Additionally, the lack of speculative construction, due to rising interest rates, along with six quarters of positive absorption is also affecting leasing activity. On a positive note, lack of inventory continues to push rental rates up. While leasing is declining, sales activity in the Madison retail market continues to attract record levels of investment capital due to positive market demographics.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 561,638    | 549,978    | 306,444    | 223,639    | 211,701    |
| ▼ Vacancy Rate             | 2.4%       | 2.5%       | 2.8%       | 2.9%       | 3.4%       |
| ▼ Avg NNN Asking Rate PSF  | \$16.63    | \$16.67    | \$16.62    | \$16.49    | \$16.37    |
| ▼ SF Under Construction    | 76,582     | 98,236     | 235,169    | 251,294    | 246,915    |
| ▼ Inventory SF             | 41,054,517 | 41,081,263 | 40,962,999 | 40,938,166 | 40,922,246 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                      | SIZE       | SALE PRICE                   | BUYER / SELLER  | TENANCY TYPE  |
|--|------------|------------------------------|---|---------------|
| 53 W. Towne Mall (West Town Mall)<br>Madison, WI | 110,601 SF | \$18,000,000<br>\$162.75 PSF | Fidelis Realty Partners<br>Seritage Growth Properties           | Multi-Tenant  |
| 3650 University Avenue<br>Madison, WI            | 41,786 SF  | \$12,652,622<br>\$302.80 PSF | Exchange Right Real Estate LLC<br>Flad Development & Investment | Single Tenant |
| 1209 Joseph Street<br>Dodgeville, WI             | 40,380 SF  | \$2,000,000<br>\$49.53 PSF   | McCon Building Corp<br>Lands End                                | Single Tenant |

| TOP LEASE TRANSACTIONS BY SF         | SIZE     | LANDLORD                        | TENANT                    | TENANT INDUSTRY       |
|--------------------------------------|----------|---------------------------------|---------------------------|-----------------------|
| 202 Keenan Court<br>Verona, WI       | 5,700 SF | PBJC Holdings, LLC              | Undisclosed               | Undisclosed           |
| 110 Market Street<br>Sun Prairie, WI | 4,928 SF | Guitarland Properties<br>LLC    | Guitarland Properties LLC | Retailer              |
| 2800 Sarah Lane<br>Waunakee, WI      | 4,500 SF | Woodland Crest<br>Investors LLC | Heartland Dental          | Professional Services |

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