



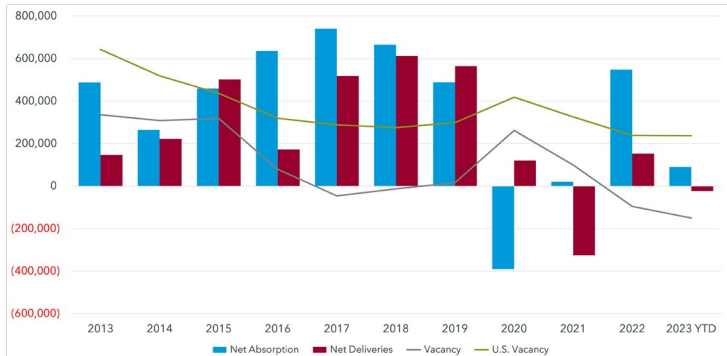
RETAIL MARKET OVERVIEW

CAMP PERRET, *Vice President*

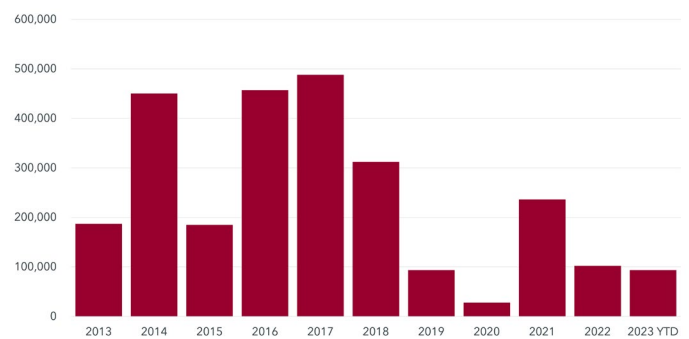
The Madison retail market demand remains strong due to impressive demographics, including above-average median household incomes, soaring population growth, and the lowest unemployment rate in the Midwest. Vacancy rates continue to decline; now at an all-time low of 2.3%. Rental rates are steadily going up. Leasing volumes are down, due in most part, to the lack of available inventory. While sales volume dipped slightly in Q2, sales prices have risen, showing that the market is still attractive to buyers despite interest rate increases.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	398,153	563,894	548,234	306,444	223,639
▼ Vacancy Rate	2.3%	2.4%	2.5%	2.8%	2.9%
▲ Avg NNN Asking Rate PSF	\$16.88	\$16.72	\$16.72	\$16.65	\$16.53
▲ SF Under Construction	93,582	76,582	102,236	237,225	255,294
◀ ▶ Inventory SF	41,121,850	41,121,850	41,144,596	41,028,276	41,003,443

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2502 Shopko Drive Madison, WI	67,473 SF	\$460,000 \$6.82 PSF	Encore Homes Iric County Id LLC	Single-Tenant
411 Prairie Heights Drive Verona, WI	52,888 SF	\$4,650,000 \$87.92 PSF	4955 Commercial Street LLC Verona Athletic Center LLC	Multi-Tenant
4602-4604 Monona Drive Madison, WI	17,930 SF	\$1,300,000 \$72.50 PSF	Hung Phien Tang LNL Marketplace LLC	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1700 Deming Way Middleton, WI	25,460 SF	Galway Companies	Undisclosed	Undisclosed
2101 W. Broadway Monona, WI	16,666 SF	Galway Companies	Pet Suppiles Plus	Miscellaneous Retail
1868 E. Washington Avenue Madison, WI	11,500 SF	Galway Companies	Undisclosed	Undisclosed

