



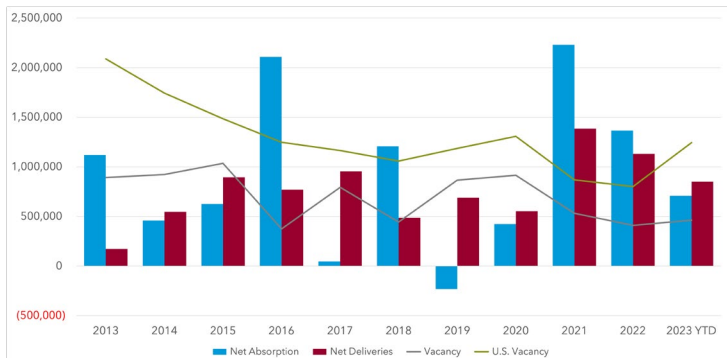
INDUSTRIAL MARKET OVERVIEW

CAMP PERRET, Vice President

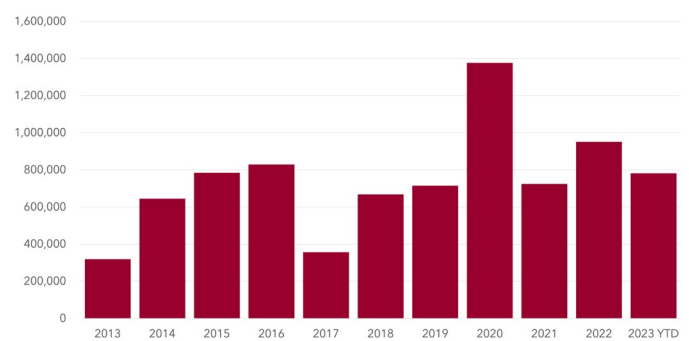
Madison industrial market demand remains strong driven by strong demographics, including above-average median household incomes, low unemployment rates and soaring population growth. While vacancy rates ticked up by a percentage, the rate of 2.9% is well below the national average of 5.1%. Rental rates have increased due to low supply. Construction starts are down primarily due to elevated interest rates. This trend will continue to apply upward pressure on lease rates as demand outpaces the rate of supply additions. Sales activity rose in Q3, while sale prices remained steady. A positive forecast for the Madison industrial market is expected into the foreseeable future.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	1,539,312	1,790,490	1,394,265	1,366,851	1,315,918
▲ Vacancy Rate	2.9%	2.8%	2.4%	2.7%	3.4%
▲ Avg NNN Asking Rate PSF	\$7.53	\$7.49	\$7.41	\$7.29	\$7.18
▼ SF Under Construction	781,775	1,436,819	1,209,827	951,477	950,081
▲ Inventory SF	75,305,541	74,625,505	74,519,014	74,454,064	74,090,781

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2235 Eagle Drive Middleton, WI	130,228 SF	\$11,835,069 \$90.88 PSF	General Capital Group SARA Investment Real Estate	Class B
8400 Fairway Place Middleton, WI	129,000 SF	\$8,972,245 \$69.55 PSF	General Capital Group SARA Investment Real Estate	Class B
2001 Fish Hatchery Road Madison, WI	48,000 SF	\$3,860,000 \$80.42 PSF	Undisclosed Madison Newspapers, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
505-507 Stokely Drive DeForest, WI	202,913 SF	STAG Industrial, Inc.	Placon Corporation	Manufacturing
1800 Williams Drive Stoughton, WI	120,000 SF	Undisclosed	Emmi Roth	Manufacturing
521 Verburg Street Cambridge, WI	52,500 SF	Steeltech Ltd.	Undisclosed	Undisclosed

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