



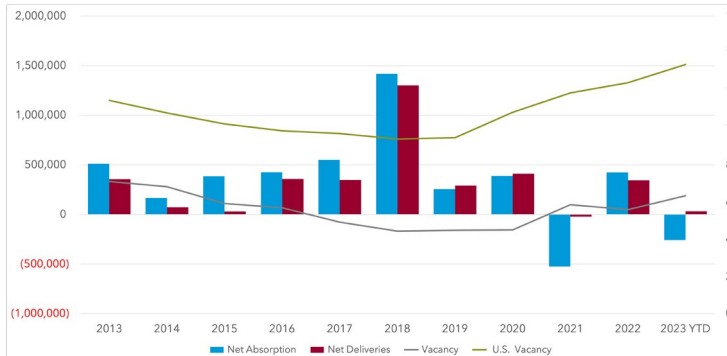
### OFFICE MARKET OVERVIEW

CAMP PERRET, *Vice President*

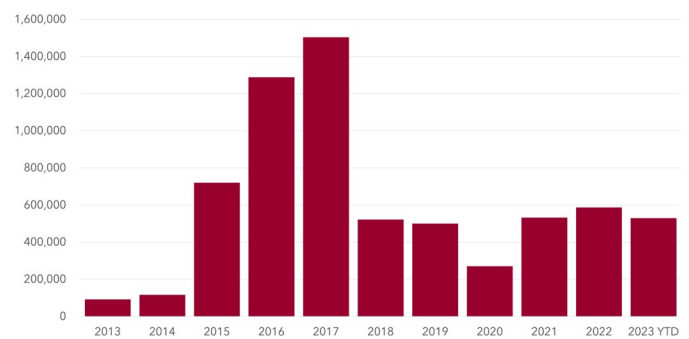
The Madison Office Market remains stable. The vacancy rate of 6.1% is less than half the national average of 13.9%. This rate is one of the lowest in the country among large and mid-sized markets. This stability is due in part to the number of solid employers such as the State of Wisconsin and the University of Wisconsin along with many healthcare and biotech firms. Additionally, the unemployment rate for Madison is one of the lowest in the country. Office lease rates are steady. Sales volumes are muted due in large part to increasing interest rates. While the market is stable, forecasts predict flat leasing and sales growth, as well as construction starts, in the near term.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(112,181)	(73,972)	174,677	424,637	477,950
▲ Vacancy Rate	6.1%	5.8%	5.7%	5.6%	5.7%
▲ Avg NNN Asking Rate PSF	\$23.16	\$23.13	\$23.06	\$22.81	\$22.56
▼ SF Under Construction	529,813	605,813	611,813	586,813	567,500
▲ Inventory SF	38,417,261	38,391,661	38,385,661	38,385,661	38,354,974

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2335 City View Drive Madison, WI	50,400 SF	\$6,733,500 \$133.60 PSF	Acadia Healthcare American Family Insurance	Class B
3002 Perry Street Madison, WI	33,460 SF	\$3,573,317 \$106.79 PSF	Auxiant General Heating & A/C, Inc.	Class B
2009 W. Beltline Highway Madison, WI	10,172 SF	\$1,300,000 \$127.80 PSF	Cliff Insurance Agency, Inc. Goldstein & Associates	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1600 Aspen Commons Middleton, WI	15,120 SF	Artis REIT	Northwestern Mutual	Insurance
918 Deming Way Madison, WI	14,573 SF	The Gialamas Company, Inc.	Undisclosed	Undisclosed
754 E. Washington Avenue Madison, WI	10,452 SF	Gebhardt Development	Undisclosed	Undisclosed

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