



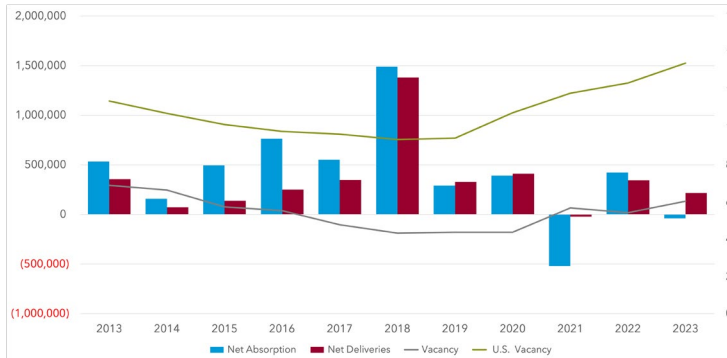
### OFFICE MARKET OVERVIEW

CAMP PERRET, *Vice President*

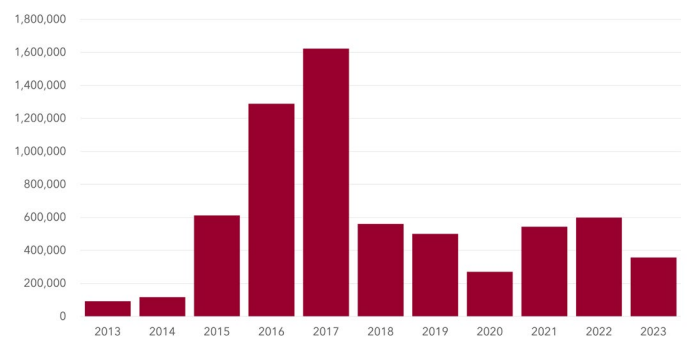
The Madison Office Market, with 6% vacancy, continues to outperform the national average of 11%. This stability is due in part to the number of solid employers such as the State of Wisconsin and the University of Wisconsin along with thriving healthcare and biotech firms. The 2% unemployment rate in Madison was one of the lowest in the country, nevertheless, hybrid work environments continue to plague the office segment. With mostly build-to-suit office projects and work from home situation, the vacancy rate and rental rates will remain flat for the relative future. Sale volumes declined, in part due to rising interest rates. Despite slower leasing and sale rates, the market remains steady.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▼ 12 Mo. Net Absorption SF	(38,824)	21,126	48,428	174,277	423,337
◀▶ Vacancy Rate	6.0%	6.0%	5.6%	5.5%	5.4%
▲ Avg NNN Asking Rate PSF	\$23.21	\$23.18	\$23.16	\$23.09	\$22.83
▼ SF Under Construction	357,013	367,013	443,013	624,013	599,013
▲ Inventory SF	40,169,707	40,159,707	40,134,107	39,953,107	39,953,107

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2912 Marketplace Drive Fitchburg, WI	15,000 SF	\$1,600,000 \$106.67 PSF	Turks LLC Who Properties LLC	Class B
2987 Yarmouth Greenway Drive Madison, WI	7,224 SF	\$840,000 \$116.28 PSF	2987 Yarmouth Greenway Dr LLC Joy First Holdings LLC	Class B
107 N. Hamilton Street Madison, WI	7,000 SF	\$1,275,000 \$182.14 PSF	Montauk Equities LLC Parkside Commercial LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7800 Discovery Drive Middleton, WI	34,500 SF	Fiskars Brands, Inc.	Undisclosed	Undisclosed
2501-2601 W. Beltline Highway Madison, WI	15,655 SF	MIG Commerical Real Estate	Wipfli, LLP	Professional Services
810 E. Washington Avenue Madison, WI	14,295 SF	Gebhardt Development	Undisclosed	Undisclosed

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