



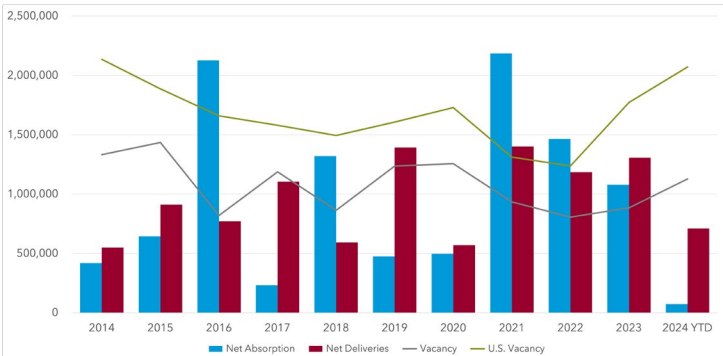
**INDUSTRIAL MARKET OVERVIEW**

CAMP PERRET, Vice President

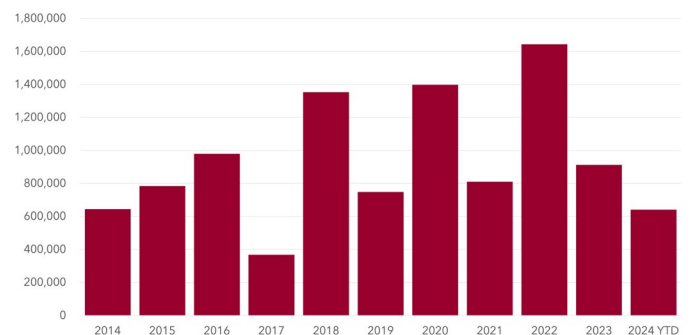
Madison Industrial Market demand remains strong. The vacancy rate of 3.3% is well below the national average of 6.6%. Low inventory continues to push rental rates. Construction starts are up over Q2 as demand continues to outpace supply. Sale and leasing volumes were down year-over-year, mainly due to lack of inventory. Financing rates and construction costs also continue to dampen new construction starts and as well as sale volumes. As the Fed lowers interest rates, we may see increased volume in both sales and construction starts since the market clearly needs further industrial space.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	614,344	631,763	1,041,337	1,078,013	1,675,031
▲ Vacancy Rate	3.3%	3.2%	3.0%	2.8%	3.0%
▼ Avg NNN Asking Rate PSF	\$7.76	\$7.80	\$7.76	\$7.71	\$7.62
◀ ▶ Sale Price PSF	\$73.00	\$73.00	\$72.00	\$72.00	\$72.00
◀ ▶ Cap Rate	8.7%	8.7%	8.6%	8.6%	8.4%
▲ Under Construction SF	640,969	210,957	529,165	912,448	1,157,589
◀ ▶ Inventory SF	79,062,164	79,062,164	78,735,172	78,351,889	78,195,575

**NET ABSORPTION, NET DELIVERIES, & VACANCY**



**UNDER CONSTRUCTION**



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5701 Manufacturers Drive Madison, WI	70,000 SF	\$7,500,000 \$107.14 PSF	MLG Capital GSP Midwest, Inc.	Class C
8720 Montclair Drive Middleton, WI	20,843 SF	\$1,775,000 \$85.16 PSF	M&M Office Interiors, Inc. TI Rudd Holdings LLC	Class B
815 S. Division Street Waunakee, WI	10,260 SF	\$650,000 \$63.35 PSF	Good Dog Properties 2 LLC Division St Properties LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1155 Ambition Street Verona, WI	8,400 SF	Undisclosed	Affiliated Construction Services	Construction
2224 Pleasant View Road Middleton, WI	6,250 SF	Welton Enterprises, Inc.	Madison Children's Museum	Arts, Entertainment and Recreation
8820 N. Greenview Drive Middleton, WI	5,700 SF	Welton Enterprises, Inc.	Astro Pak	Manufacturing

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