



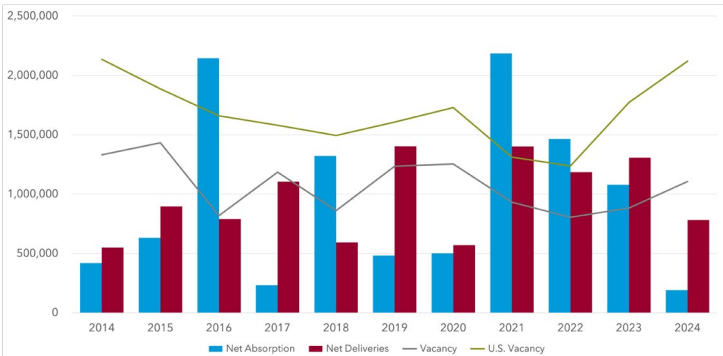
INDUSTRIAL MARKET OVERVIEW

CAMP PERRET, Vice President

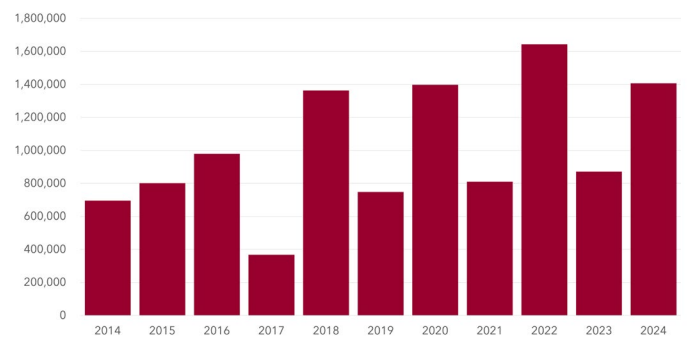
The Madison Industrial Market vacancy rate for Q4 stands at just 3.5% significantly below the national average of 6.8%, underscoring the ongoing demand for industrial space in the region. A limited inventory continues to constrain leasing activity, and much of the available stock is older, with only 750,000 square feet of the 3.9 million square feet currently on the market having been built within the past 20 years. While construction starts are up in 2024, demand for new industrial space still outpaces supply, maintaining a tight market. Additionally, sales volumes have declined, driven by both the lack of inventory and high financing costs.

| MARKET INDICATORS | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 191,361 | 611,344 | 631,963 | 1,041,337 | 1,078,013 |
| ▲ Vacancy Rate | 3.5% | 3.3% | 3.2% | 3.0% | 2.8% |
| ▼ Avg NNN Asking Rate PSF | \$7.85 | \$7.86 | \$7.84 | \$7.78 | \$7.72 |
| ◀ ▶ Sale Price PSF | \$73 | \$73 | \$72 | \$72 | \$73 |
| ◀ ▶ Cap Rate | 8.8% | 8.8% | 8.8% | 8.7% | 8.5% |
| ▲ Under Construction SF | 1,406,812 | 1,123,062 | 508,670 | 512,745 | 871,448 |
| ▲ Inventory SF | 79,291,658 | 79,219,808 | 79,219,808 | 78,892,816 | 78,509,533 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|---|-----------|-----------------------------|---|----------------|
| 2919 Commerce Park Drive Madison, WI | 32,782 SF | \$2,990,000 \$91.21 PSF | Wstrm Great Lakes Finishing Trades Inst T5 Real Estate Solutions | Class B |
| 5302 Verona Road Madison, WI | 24,000 SF | \$2,200,000 \$91.67 PSF | Mps2p LLC Chophia LLC | Class B |
| 4904 Triangle Street McFarland, WI | 21,000 SF | \$2,100,000 \$100.00 PSF | Bassett Madison LLC E and D Real Estate LLC | Class B |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|-----------------------------------|-----------|-----------------------------|--------------------------|-----------------------|
| 5001 Femrite Drive Madison, WI | 56,000 SF | WI Development Partners LLC | Revere Electric Supply | Professional Services |
| 1206 Femrite Drive Madison, WI | 15,750 SF | Robert Hibbard | Undisclosed | Undisclosed |
| 2241 Eagle Drive Middleton, WI | 10,000 SF | Undisclosed | Tree House Arbor Science | Professional Services |

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