



— OFFICE

Southeast Wisconsin Office Overview

ECONOMIC OVERVIEW

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Milwaukee metropolitan statistical area (MSA) increased 20 basis points to 3.8% compared to 3.6% in August 2025. The unemployment rate for the US was at 4.1% in August 2026 which decreased 20 basis points from last year. State of Wisconsin unemployment was 3.2% for this quarter. The Milwaukee MSA saw an increase in job growth and office jobs increased by 600 jobs during the same period.

EMPLOYMENT	AREA UNEMPLOYMENT	U.S. UNEMPLOYMENT	OFFICE-USING JOBS
789,199 Milwaukee MSA	3.8% +20 bps vs. Aug 2025	4.1% -20 bps vs. last year	180,600 +600 office jobs

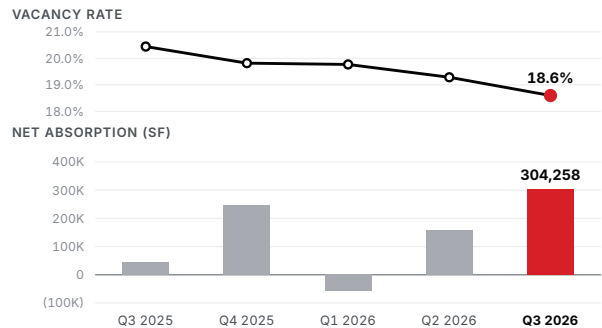
SUMMARY

BLDG CLASS	BLDGS	INVENTORY (SF)	AVAILABLE (SF)	VACANT (SF)	Q3 NET ABSORPTION (SF)	YTD NET ABSORPTION (SF)	VACANCY
A	58	12,281,519	2,607,816	2,140,937	169,424	208,780	17.4%
B	445	29,763,421	6,416,936	5,829,001	136,872	202,577	19.6%
C	47	2,021,032	216,782	236,664	(2,038)	(7,590)	11.7%
Total	550	44,065,972	9,241,534	8,206,602	304,258	403,767	18.6%

MARKET HIGHLIGHTS

- The Milwaukee office market posted 304,000 sf positive absorption for Q3 2026. This brought the YTD to 403,700 sf positive absorption and a vacancy rate of 18.6%. Multi-tenant only properties had 146,300 sf positive absorption, bringing the YTD to 277,000 sf positive absorption and a vacancy rate of 23.1%.
- Milwaukee CBD ended the quarter with a 19.1% vacancy rate resulting from 75,400 sf positive absorption. Multi-tenant only properties saw a vacancy rate of 25.1% and 75,400 sf positive absorption during Q3 2026.
- The suburban markets posted 228,800 sf positive net absorption and a vacancy rate of 18.3% for single and multi-tenant properties during Q3 2026. Multi-tenant only properties ended with a vacancy rate of 21.7% with 70,800 sf positive net absorption.
- Milwaukee South had the largest increase with 125,300 sf positive absorption led by The Archdiocese of Milwaukee purchasing a 120,800 sf property. Waukesha Southwest topped all markets with (8,100) sf negative absorption led by SSP Innovations vacating 10,000 sf.
- Milwaukee office market had 126 lease comps totaling 531,900 sf this quarter with 92 of the lease comps in the suburban markets and 34 lease comps in Milwaukee CBD markets. Twenty-seven office properties with 736,000 sf sold for \$67.3 million.
- There are currently five properties under construction totaling 120,400 sf while three properties were delivered YTD with 247,400 sf.

ABSORPTION AND VACANCY RATE



UNDER CONSTRUCTION

MARKET	BLDG SIZE (SF)	SHARE
Milwaukee Central	72,000	60%
Milwaukee South	22,000	18%
Pewaukee	10,500	9%
Waukesha Southeast	7,970	7%
Waukesha Northwest	7,936	7%
Total	120,406	100%

Note: Net absorption is based on the net change in when a lease is occupied or space is vacated from quarter to quarter expressed in square feet. For new construction the new lease will be captured when the construction has been completed and the space has been occupied.

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Southeast Wisconsin Office

SUBMARKET	CLASS	BLDGS	INVENTORY (SF)	AVAILABLE (SF)	VACANT (SF)	Q3 NET ABSORPTION (SF)	YTD NET ABSORPTION (SF)	VACANCY
MILWAUKEE CBD								
Milwaukee Downtown East	A	14	5,911,378	1,273,087	993,050	(2,821)	42,141	16.8%
	B	37	4,155,916	934,667	817,374	41,094	53,609	19.7%
	C	4	146,389	—	22,500	0	1,105	15.4%
	Subtotal	55	10,213,683	2,207,754	1,832,924	38,273	96,855	17.9%
Milwaukee Downtown West	A	2	348,371	79,526	72,586	(7,721)	(671)	20.8%
	B	30	4,313,399	700,457	819,678	38,767	31,082	19.0%
	C	3	234,311	139,000	139,000	0	0	59.3%
	Subtotal	35	4,896,081	918,983	1,031,264	31,046	30,411	21.1%
Third Ward-Walkers Point	A	6	767,437	105,945	122,082	12,530	12,530	15.9%
	B	34	2,027,735	467,785	408,038	(6,403)	(39,060)	20.1%
	C	4	120,713	42,963	42,963	0	0	35.6%
	Subtotal	44	2,915,885	616,693	573,083	6,127	(26,530)	19.7%
Milwaukee CBD	A	22	7,027,186	1,458,558	1,187,718	1,988	54,000	16.9%
	B	101	10,497,050	2,102,909	2,045,090	73,458	45,631	19.5%
	C	11	501,413	181,963	204,463	0	1,105	40.8%
	CBD Total	134	18,025,649	3,743,430	3,437,271	75,446	100,736	19.1%
SUBURBAN								
Brookfield	A	6	547,244	87,361	76,342	11,812	31,124	14.0%
	B	90	5,463,584	1,365,226	1,338,547	52,596	174,542	24.5%
	C	2	68,273	—	—	0	0	0.0%
	Subtotal	98	6,079,101	1,452,587	1,414,889	64,408	205,666	23.3%
Mayfair-Wauwatosa	A	15	2,098,871	803,102	633,928	23,466	126,259	30.2%
	B	27	1,381,860	323,345	308,215	(22,291)	10,113	22.3%
	C	8	319,574	—	—	0	0	0.0%
	Subtotal	50	3,800,305	1,126,447	942,143	1,175	136,372	24.8%
Mequon-Thiensville	A	1	37,670	—	—	6,237	6,237	0.0%
	B	14	386,182	35,189	28,963	4,753	21,216	7.5%
	Subtotal	15	423,852	35,189	28,963	10,990	27,453	6.8%
Milwaukee Central	B	11	940,941	48,400	48,400	0	0	5.1%
	C	9	541,925	—	—	0	0	0.0%
	Subtotal	20	1,482,866	48,400	48,400	0	0	3.3%

— OFFICE

Southeast Wisconsin Office continued

SUBMARKET	CLASS	BLDGS	INVENTORY (SF)	AVAILABLE (SF)	VACANT (SF)	Q3 NET ABSORPTION (SF)	YTD NET ABSORPTION (SF)	VACANCY
SUBURBAN (CONTINUED)								
Milwaukee North Shore	A	3	223,262	89,332	89,332	6,680	6,680	40.0%
	B	31	1,901,373	155,243	177,465	0	7,477	9.3%
	C	7	271,978	32,781	30,163	0	(6,657)	11.1%
	Subtotal	41	2,396,613	277,356	296,960	6,680	7,500	12.4%
Milwaukee Northwest	A	4	1,145,553	31,274	22,295	0	0	1.9%
	B	49	3,034,432	1,128,618	715,770	19,887	(80,652)	23.6%
	Subtotal	53	4,179,985	1,159,892	738,065	19,887	(80,652)	17.7%
Milwaukee South	A	2	801,149	—	—	120,883	0	0.0%
	B	25	1,059,886	141,272	80,612	4,485	37,000	7.6%
	C	2	91,658	—	—	0	0	0.0%
	Subtotal	29	1,952,693	141,272	80,612	125,368	37,000	4.1%
Milwaukee West Allis	B	19	1,846,834	701,612	595,809	19,231	(5,877)	32.3%
	C	2	61,785	—	—	0	0	0.0%
	Subtotal	21	1,908,619	701,612	595,809	19,231	(5,877)	31.2%
Pewaukee	A	4	374,584	138,189	131,322	(1,642)	(15,520)	35.1%
	B	29	1,549,204	170,231	324,555	(10,156)	(5,901)	20.9%
	Subtotal	33	1,923,788	308,420	455,877	(11,798)	(21,421)	23.7%
Waukesha Northwest–Lake Country	B	19	621,542	37,529	34,029	1,770	(6,490)	5.5%
	C	1	51,462	—	—	0	0	0.0%
	Subtotal	20	673,004	37,529	34,029	1,770	(6,490)	5.1%
Waukesha Southeast–New Berlin	B	14	461,207	89,167	99,979	(741)	(2,791)	21.7%
	Subtotal	14	461,207	89,167	99,979	(741)	(2,791)	21.7%
Waukesha Southwest	A	1	26,000	—	—	0	0	0.0%
	B	16	619,326	118,195	31,567	(6,120)	8,309	5.1%
	C	5	112,964	2,038	2,038	(2,038)	(2,038)	1.8%
	Subtotal	22	758,290	120,233	33,605	(8,158)	6,271	4.4%
Suburban	A	36	5,254,333	1,149,258	953,219	167,436	154,780	18.1%
	B	344	19,266,371	4,314,027	3,783,911	63,414	156,946	19.6%
	C	36	1,519,619	34,819	32,201	(2,038)	(8,695)	2.1%
	Suburban Total	416	26,040,323	5,498,104	4,769,331	228,812	303,031	18.3%
Grand Total		550	44,065,972	9,241,534	8,206,602	304,258	403,767	18.6%

— INDUSTRIAL

Southeast Wisconsin Industrial Overview

ECONOMIC OVERVIEW

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Milwaukee metropolitan statistical area (MSA) increased 20 basis points to 3.8% compared to 3.6% in August 2025. The unemployment rate for the US was at 4.1% in August 2026 which decreased 20 basis points from last year. State of Wisconsin unemployment was 3.2% for this quarter. The Milwaukee MSA saw an increase in job growth and industrial-specific jobs in manufacturing increased by 300 jobs during the same period.

EMPLOYMENT	AREA UNEMPLOYMENT	U.S. UNEMPLOYMENT	INDUSTRIAL JOBS
789,199	3.8%	4.1%	109,700
Milwaukee MSA	+20 bps vs. Aug 2025	-20 bps vs. last year	+300 manufacturing jobs

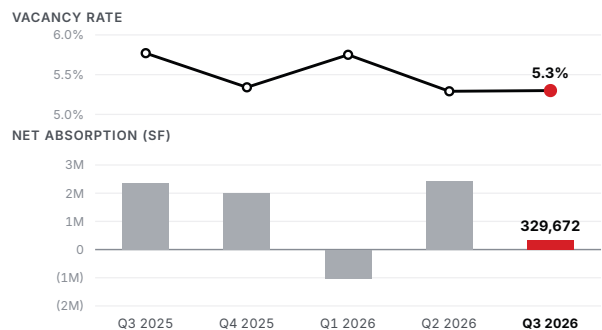
SUMMARY

PROPERTY TYPE	BLDGS	INVENTORY (SF)	AVAILABLE (SF)	VACANT (SF)	Q3 NET ABSORPTION (SF)	YTD NET ABSORPTION (SF)	VACANCY
Flex/R&D	304	14,678,330	1,092,724	955,526	29,893	175,212	6.5%
Manufacturing	2,177	177,737,433	7,908,448	7,120,167	(78,773)	(379,067)	4.0%
Warehouse Distribution	809	136,912,486	12,419,309	10,270,766	202,734	1,549,757	7.5%
Warehouse Office	2,179	66,895,984	5,275,198	2,646,003	175,818	406,338	4.0%
Grand Total	5,469	396,224,233	26,695,679	20,992,462	329,672	1,752,240	5.3%

MARKET HIGHLIGHTS

- Southeastern Wisconsin posted 330,000 sf positive absorption. This brought the YTD to 1.7 msf positive absorption and a vacancy rate of 5.3% for multi and single tenant properties. Multi-tenant only properties recorded 133,000 sf positive absorption, bringing the YTD to 1.7 msf positive absorption and a vacancy rate to 13.3%.
- Kenosha County saw the largest gain with 182,000 sf positive absorption resulting from new delivery of 167,000 sf for Schutz Container. Milwaukee County topped all markets with (47,900) sf negative absorption led by Tekni Plex vacating 186,800 sf.
- At the close of Q3 2026 the market had 69 lease transactions totaling 1.9 msf. Eighty-six properties sold topping \$362.8 million with 4.3 msf during Q3 2026.
- To date, there are 39 properties totaling 4.6 msf of new construction projects throughout the market. Seventeen properties with 2.1 msf were delivered year to date.

ABSORPTION AND VACANCY RATE



UNDER CONSTRUCTION

COUNTY	BLDG SIZE (SF)	SHARE
Washington	939,275	20%
Milwaukee	887,030	19%
Sheboygan	778,000	17%
Waukesha	663,131	14%
Walworth	520,317	11%
Kenosha	503,666	11%
Racine	304,872	7%
Total	4,596,291	100%

Note: Net absorption is based on the net change in when a lease is occupied or space is vacated from quarter to quarter expressed in square feet. For new construction the new lease will be captured when the construction has been completed and the space has been occupied.

— INDUSTRIAL

Southeast Wisconsin Industrial

COUNTY	PROPERTY TYPE	BLDGS	INVENTORY (SF)	AVAILABLE (SF)	VACANT (SF)	Q3 NET ABSORPTION (SF)	YTD NET ABSORPTION (SF)	VACANCY
Kenosha	Flex/R&D	7	319,132	—	—	0	0	0.0%
	Manufacturing	108	8,679,062	231,544	209,677	15,250	15,250	2.4%
	Warehouse Distribution	114	43,551,608	5,064,152	4,968,851	167,000	145,527	11.4%
	Warehouse Office	71	3,003,145	419,644	40,116	0	(5,100)	1.3%
	Subtotal	300	55,552,947	5,715,340	5,218,644	182,250	155,677	9.4%
Milwaukee	Flex/R&D	63	3,309,376	615,547	658,862	(4,640)	46,548	19.9%
	Manufacturing	659	60,231,201	5,178,859	5,003,279	(233,206)	(35,812)	8.3%
	Warehouse Distribution	286	36,183,533	2,573,804	1,741,438	(27,859)	325,538	4.8%
	Warehouse Office	696	23,964,555	2,335,205	1,237,426	217,787	241,468	5.2%
	Subtotal	1,704	123,688,665	10,703,415	8,641,005	(47,918)	577,742	7.0%
Ozaukee	Flex/R&D	23	708,519	19,108	19,108	5,976	3,000	2.7%
	Manufacturing	118	9,251,355	159,149	128,106	0	340,012	1.4%
	Warehouse Distribution	16	2,150,875	67,535	—	0	0	0.0%
	Warehouse Office	67	2,449,216	111,601	103,461	57,860	(21,045)	4.2%
	Subtotal	224	14,559,965	357,393	250,675	63,836	321,967	1.7%
Racine	Flex/R&D	13	702,334	36,830	36,830	(11,786)	(4,674)	5.2%
	Manufacturing	189	17,497,184	119,298	236,306	0	(33,489)	1.4%
	Warehouse Distribution	83	15,451,295	3,560,876	2,542,998	(5,109)	263,049	16.5%
	Warehouse Office	145	4,796,078	816,832	438,713	18,142	0	9.1%
	Subtotal	430	38,446,891	4,533,836	3,254,847	1,247	224,886	8.5%
Sheboygan	Flex/R&D	1	30,720	—	5,000	0	0	16.3%
	Manufacturing	156	20,814,590	94,315	390,551	(18,890)	(245,726)	1.9%
	Warehouse Distribution	35	4,800,962	—	—	0	0	0.0%
	Warehouse Office	92	2,486,982	20,875	20,875	45,010	35,760	0.8%
	Subtotal	284	28,133,254	115,190	416,426	26,120	(209,966)	1.5%
Walworth	Flex/R&D	4	94,396	—	—	0	0	0.0%
	Manufacturing	127	10,148,309	299,104	155,714	(21,980)	(109,378)	1.5%
	Warehouse Distribution	31	3,265,417	220,191	—	0	130,000	0.0%
	Warehouse Office	77	2,203,773	168,320	66,450	0	(12,500)	3.0%
	Subtotal	239	15,711,895	687,615	222,164	(21,980)	8,122	1.4%
Washington	Flex/R&D	15	528,613	37,893	19,227	0	0	3.6%
	Manufacturing	230	14,826,551	495,640	357,538	156,941	(91,409)	2.4%
	Warehouse Distribution	83	12,095,971	169,000	268,754	(14,185)	488,937	2.2%
	Warehouse Office	193	5,565,103	447,151	353,715	(1,828)	69,345	6.4%
	Subtotal	521	33,016,238	1,149,684	999,234	140,928	466,873	3.0%
Waukesha	Flex/R&D	178	8,985,240	383,346	216,499	40,343	130,338	2.4%
	Manufacturing	590	36,289,181	1,330,539	638,996	23,112	(218,515)	1.8%
	Warehouse Distribution	161	19,412,825	763,751	748,725	82,887	196,706	3.9%
	Warehouse Office	838	22,427,132	955,570	385,247	(161,153)	98,410	1.7%
	Subtotal	1,767	87,114,378	3,433,206	1,989,467	(14,811)	206,939	2.3%
Grand Total		5,469	396,224,233	26,695,679	20,992,462	329,672	1,752,240	5.3%