

VIEW FROM ABOVE

Large employers continue to eliminate their need for office space.

Availability Grows Again!

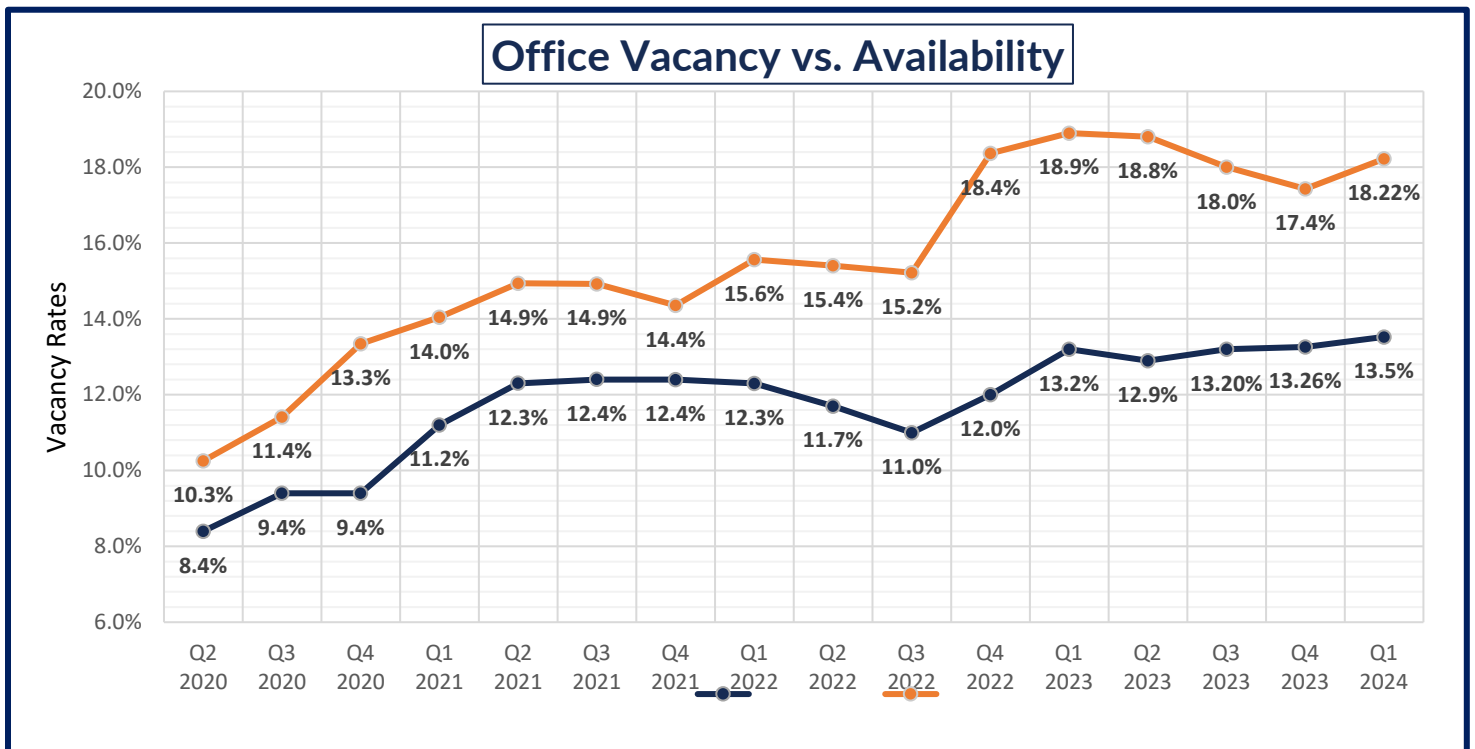
	THIS QUARTER	NEXT QUARTER
Vacancy	▲	▲
Rents	▼	▼
New Construction	▼	▼
Net Absorption	▼	▼

SCANNING THE HORIZON

- **Vacancy 13.5%, Availability 18.22%** - Vacancy remains consistent and availability is increasing.
- **2.50% Unemployment[^]** - Continued strong employment in Dane County.

TIPS FROM THE CAST

- Commercial real estate world is a buzz with how **Artificial Intelligence (AI)** will impact its future. Look for new and helpful tools.
- **Interest rate uncertainty** continue to plague future investment and costs throughout the industry.
- **Consider reviewing your lease up to 24 months early**, Tenants have never had this much leverage to save money.



MARKET RECAP

- Inventory 17.4 MM SF
- YTD Absorption 20,164 SF
- Vacancy 13.5%
- Under Construction 25,000 SF

WHAT THIS MEANS FOR YOU...

As you consider future lease decisions **Strategic Flexibility is key.**

The average organization has between **30-50% more real estate** than it needs (Accenture)

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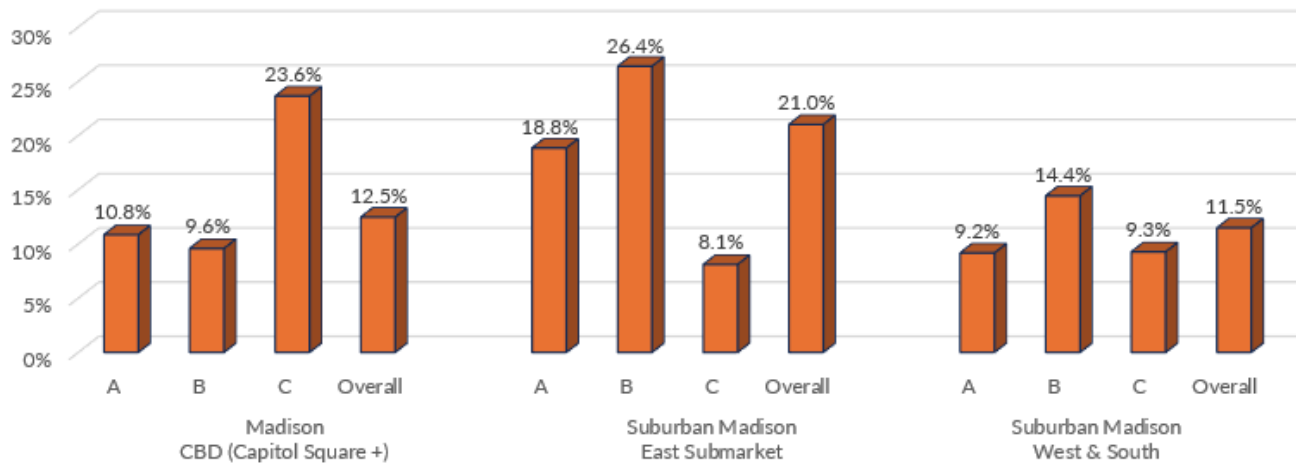
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MARKET OVERVIEW BY PRODUCT TYPE

Submarket	Building Class	Vacancy Rate	Total Vacant (SF)	Total Square Feet
Madison CBD (Capitol Square +)	A	10.8%	209,918	1,936,607
	B	9.6%	152,740	1,595,391
	C	23.6%	164,129	694,551
	Overall	12.5%	526,787	4,226,549
Suburban Madison East Submarket	A	18.8%	149,451	793,088
	B	26.4%	506,041	1,918,459
	C	8.1%	53,867	665,385
	Overall	21.0%	709,359	3,376,932
Suburban Madison West & South	A	9.2%	366,087	3,997,770
	B	14.4%	638,567	4,425,022
	C	9.3%	159,206	1,718,773
	Overall	11.5%	1,163,860	10,141,565
Grand Total		13.5%	2,400,006	17,745,046

2024 1st Quarter Office Vacancy



CLIENT SHOUT-OUTS

- **Exact Sciences** growth of **Cologuard®** has enabled an expansion at its **Redbag facility**
- **ibidi** expands its **office** and **distribution** capability in Fitchburg
- **Findorff's** yard operations continue to grow with **2 new facility acquisitions**

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SOURCES

Office data provided by REDi,
www.redicatylist.com/carw

^ Bureau of Labor Statistics

