

VIEW FROM ABOVE

U.S. Office space availability is currently 23.7% with 20% direct vacancy. **All Time High!!**

We predict that the local office market will not fully recover until 2028.

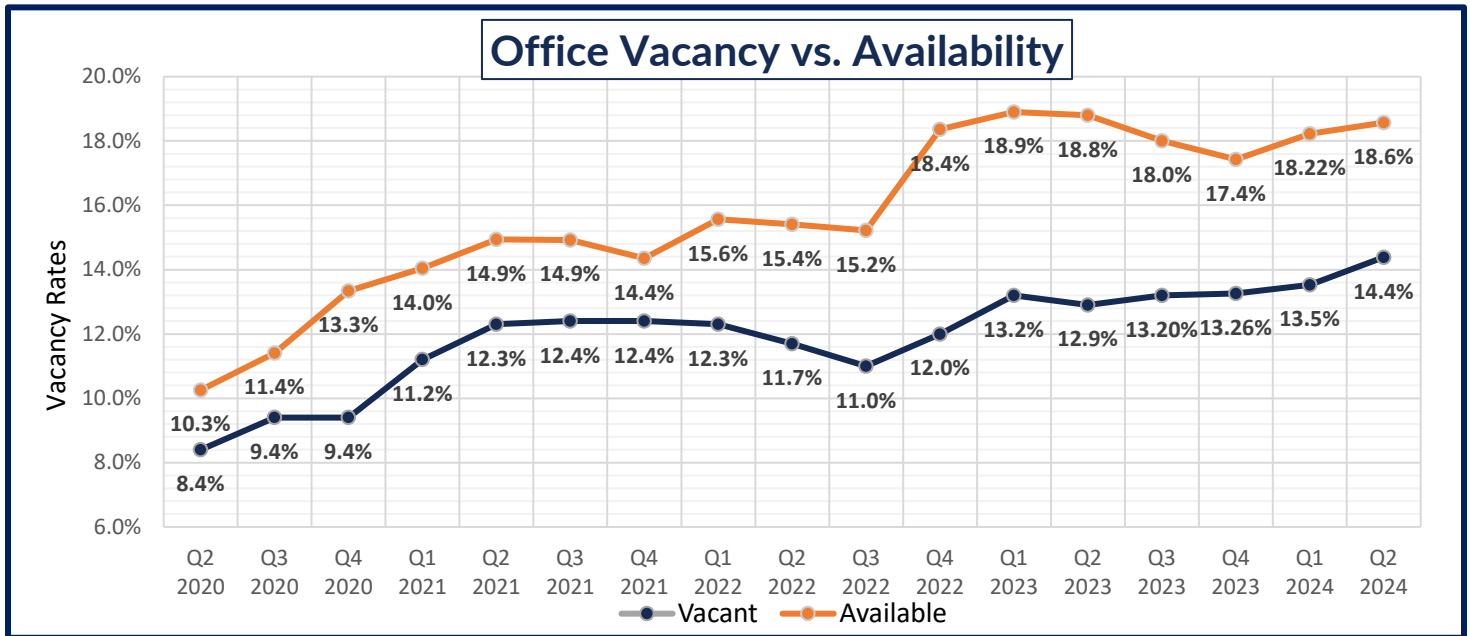
	THIS QUARTER	NEXT QUARTER
Vacancy	▲	▲
Rents	▼	▬
New Construction	▼	▬
Net Absorption	▼	▼

SCANNING THE HORIZON

- **Vacancy 14.4%, Availability 18.6%** - Vacancy and availability are both increasing.
- **2.50% Unemployment[^]** - Continued strong employment in Dane County.

TIPS FROM THE CAST

- **Suburban Class-A** space trends **vacant** as large corporate users give up space.
- **Landlords** will need to **subdivide** large vacant blocks in order to accommodate midsize tenant demand.



MARKET RECAP

- Inventory 17.5 MM SF
- YTD Absorption -122,758 SF
- Vacancy 14.4%
- Under Construction 25,000 SF

WHAT THIS MEANS FOR YOU...

Small to midsize office suites are still in **high demand**. You may need to get creative to find the right fit.

Tenants have fewer turnkey options than this time last year.

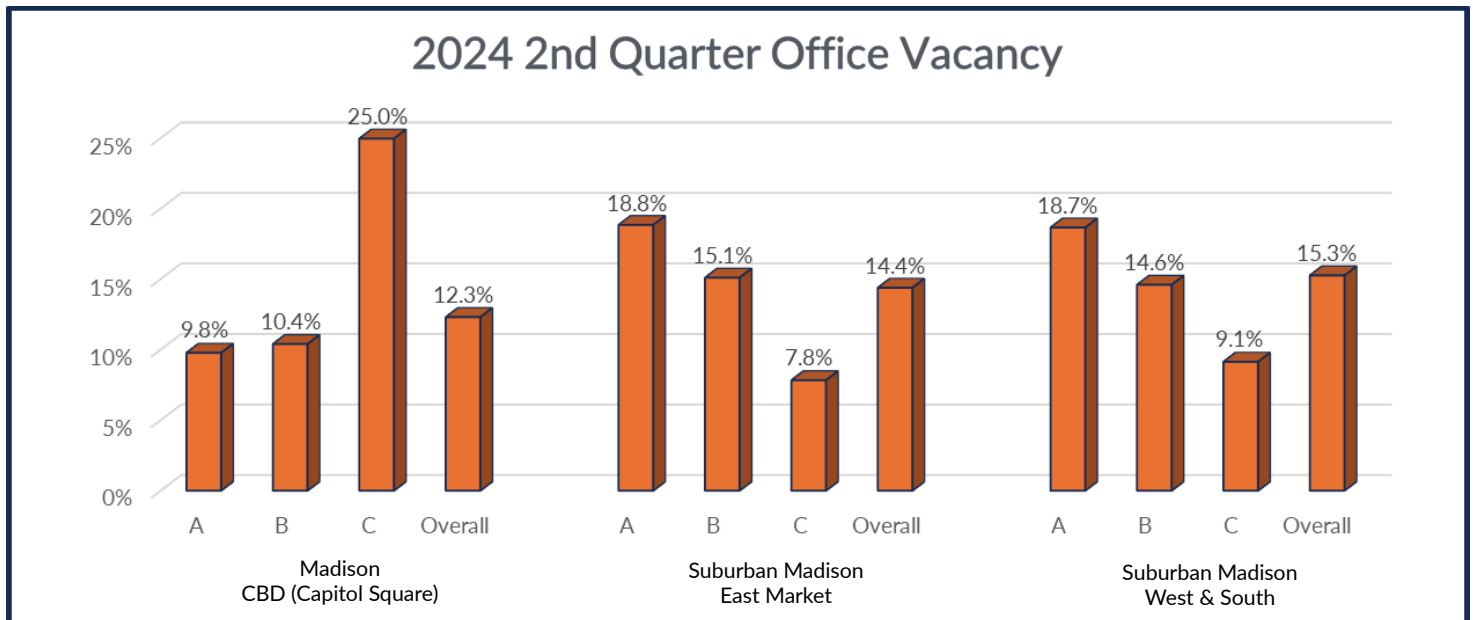
Phone: (608) 661-7450 · Website: www.broadwing-advisors.com

All rights reserved. 2023 Broadwing Advisors, LLC.
Not available for use without express written permission.



MARKET OVERVIEW BY PRODUCT TYPE

Submarket	Building Class	Vacancy Rate	Total Vacant (SF)	Total Square Feet
Madison CBD (Capitol Square +)	A	9.8%	198,740	2,031,765
	B	10.4%	171,022	1,644,012
	C	25.0%	163,211	653,631
	Overall	12.3%	532,973	4,329,408
Suburban Madison East Submarket	A	18.8%	149,451	793,088
	B	15.1%	234,116	1,549,838
	C	7.8%	55,346	706,305
	Overall	14.4%	438,913	3,049,231
Suburban Madison West & South	A	18.7%	746,203	3,997,770
	B	14.6%	648,071	4,437,439
	C	9.1%	158,884	1,737,518
	Overall	15.3%	1,553,158	10,172,727



Definitions

- **Direct Vacancy** - Space that has no lease encumbrances and has been completely vacated by previous tenant.
- **Demising** - The wall dividing current space from the neighbor's space, many tenants are look to reduce space upon renewal, i.e. move demising wall.
- **Turnkey** - Office space that is move-in ready.

SOURCES

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

^ Bureau of Labor Statistics

Phone: (608) 661-7450 · Website: www.broadwing-advisors.com

All rights reserved. 2023 Broadwing Advisors, LLC.
 Not available for use without express written permission.

