OFFICE OVERVIEW

Madison, WI Q3 2026

BROADWING advisors

VIEW FROM ABOVE

Large user givebacks continue to **negatively affect** the market.

While small transactions are healthy, it is **not enough** to offset vacancy.

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

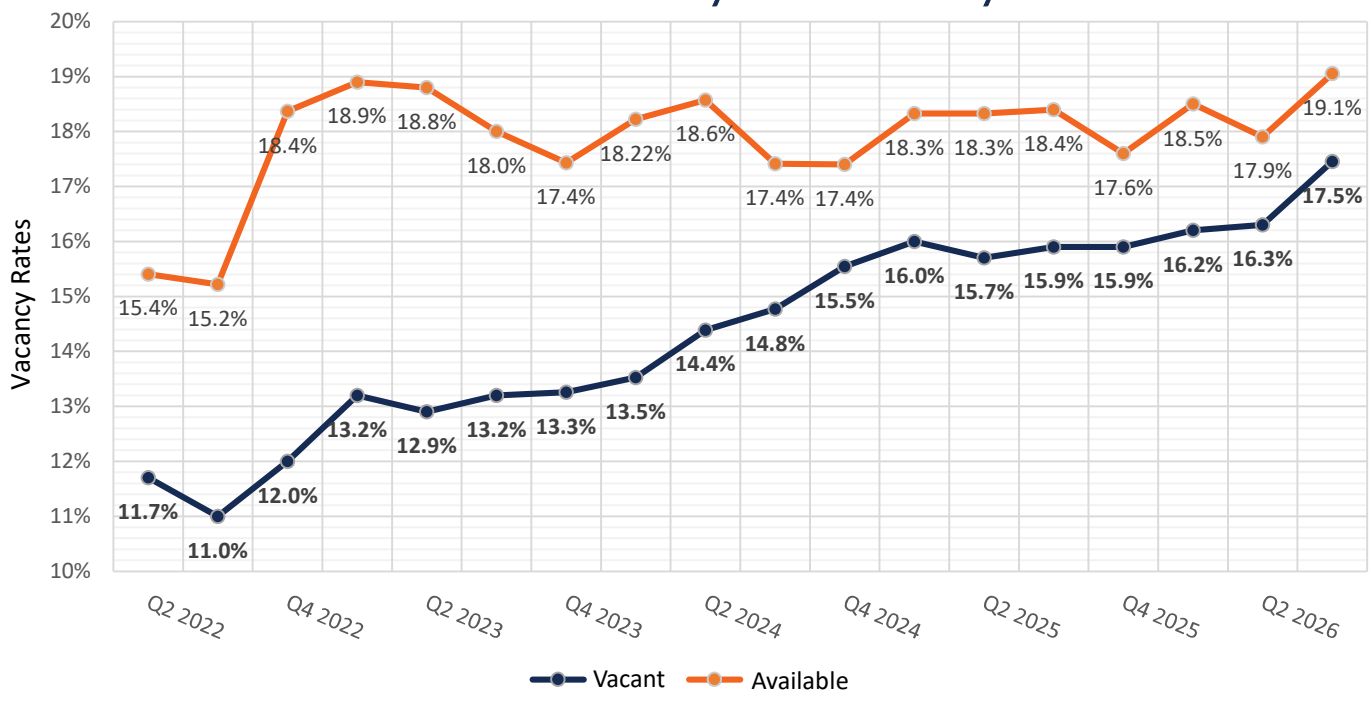
SCANNING THE HORIZON

- **Vacancy 17.5%, Availability 19.1%** - Jump in both vacancy and availability this quarter
- **2.5% Dane County unemployment*** - decreasing and remaining low compared to 4.2% nationally
- Solid market activity with **18 transactions** between 1200-10k leased.

TIPS FROM THE CAST

- Financing for office is difficult, underwrite your landlord's ability to invest before signing a lease.
- Understanding space utilization is the key to your future growth strategy.

Office Vacancy vs. Availability



MARKET RECAP

- Inventory 17.6 MM SF
- YTD Absorption (208,094 SF)
- Vacancy 17.5%
- Under Construction 0 SF

WHAT THIS MEANS FOR YOU...

Larger users will have **more opportunities** to leverage the soft market.

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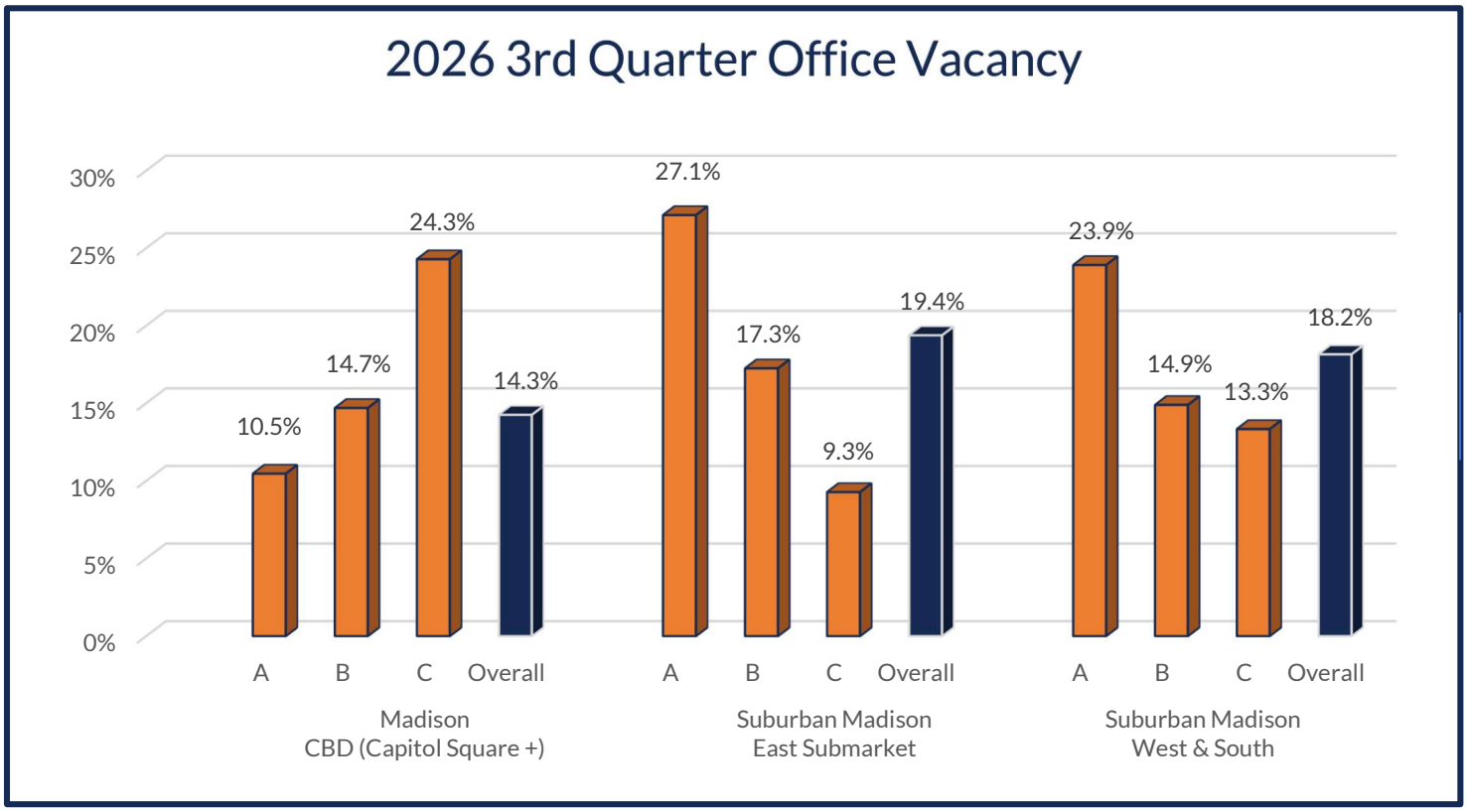
MARKET OVERVIEW BY PRODUCT TYPE

Submarket	Building Class	Vacancy Rate	Availability Rate	Total Vacant (SF)	Total Available (sf)	Total Square Feet
Madison CBD (Capitol Square +)	A	10.5%	11.0%	212,495	224,087	2,031,765
	B	14.7%	18.1%	208,659	257,346	1,420,417
	C	24.3%	25.6%	171,521	180,467	706,251
	Overall	**14.3%**	**15.9%**	**592,675**	**661,900**	**4,158,433**
Suburban Madison East Submarket	A	27.1%	35.3%	309,775	402,757	1,141,694
	B	17.3%	15.4%	265,711	237,028	1,540,301
	C	9.3%	19.4%	51,118	106,874	551,167
	Overall	**19.4%**	**23.1%**	**626,604**	**746,659**	**3,233,162**
Suburban Madison West & South	A	23.9%	23.6%	955,876	945,312	3,997,770
	B	14.9%	16.9%	675,334	767,268	4,535,823
	C	13.3%	14.0%	227,913	238,805	1,709,269
	Overall	**18.2%**	**19.1%**	**1,859,123**	**1,951,385**	**10,242,862**
Grand Total		**17.5%**	**19.1%**	**3,078,402**	**3,359,944**	**17,634,457**



Client Shout Outs

- **EUA** leased 13,000 SF at the WHEDA building, 908 East Main St.
- **PDS** closed on the sale of their 22,000 SF buiding at 361 Belttner Blvd.
- **Exact Sciences (Abbott)** purchased property in Marshfield, consisting of over 30,000 SF.

SOURCES

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

ˆBureau of Labor Statistics

ˆMcKinsey Global Institute.

+JLL, Fortune 100 Companies

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