

MARKETBEAT MADISON

Industrial Q1 2021

YoY Chg 12-Mo. Forecast

4.0%

Vacancy Rate



59k

YTD Net Absorption, SF



\$4.65

Asking Rent, PSF



Overall, Net Asking Rent

ECONOMIC INDICATORS Q1 2021

YoY Chg 12-Mo. Forecast

371.4k

Madison
Employment



3.6%

Madison
Unemployment Rate



6.0%

U.S.
Unemployment Rate



Source: BLS, Moody's Analytics
2021Q1 data are based on latest available data

ECONOMY

Mounting evidence indicates that the economic recovery from COVID-19 began in May or June, reflected in the Q3 and Q4 2020 data. With the recent release of the vaccine, and good economic data being released, the recovery is firmly underway. Access the most recent research on CRE and the state of the economy [here](#).

Wisconsin's unemployment rate remained the same month-over-month at 3.8% in February 2021. Locally, Metro Madison's unemployment rate fairs slightly better, at 3.6%, however, 240 basis points (bps) below the national average.

According to data from the U.S. Bureau of Economic Analysis, Wisconsin's economy saw a 4.5% drop in real gross domestic product decrease, a rate that ranks Wisconsin 37th in the country. The decline is the largest single-year drop in the state's GDP in data going back to 1963.

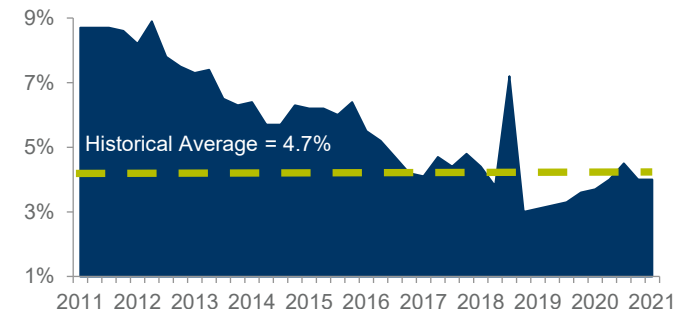
MARKET OVERVIEW

The Metro Madison industrial market consists of approximately 125 million square feet (msf) of inventory spread across eight (8) distinct counties. During the first quarter of 2021, the market has experienced 59,000 square feet (sf) positive absorption, largely attributed to healthy leasing velocity of nearly 430,000 sf across 33 transactions.

OVERALL NET ABSORPTION / OVERALL ASKING RENT



OVERALL VACANCY



MARKETBEAT MADISON



CUSHMAN &
WAKEFIELD

BOERKE

Industrial Q1 2021

MARKET STATISTICS

SUBMARKET	TOTAL BUILDINGS	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	YTD CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT
Columbia Co.	88	5,594,105	400,000	7.2%	38,000	38,000	0	0	\$2.66
Dane Co.	1,252	56,798,625	2,399,538	4.2%	169,965	169,965	691,420	0	\$5.42
Dodge Co.	180	16,350,638	602,570	3.7%	136,304	136,304	0	0	\$2.90
Green Co.	38	1,472,844	36,000	2.4%	0	0	0	0	N/A
Iowa Co.	21	1,659,425	0	0.0%	0	0	0	0	N/A
Jefferson Co.	192	13,117,541	624,048	4.8%	-238,890	-238,890	250,000	0	\$3.97
Rock Co.	262	26,265,301	447,704	1.7%	390,533	390,533	238,000	0	\$4.49
Sauk Co.	51	3,754,012	448,500	11.9%	-436,500	-436,500	0	0	\$3.25
MADISON TOTALS	2,084	125,012,491	4,958,360	4.0%	59,412	59,412	1,179,420	0	\$4.65

*Rental rates reflect weighted net asking \$psf/year

KEY LEASE TRANSACTIONS Q1 2021

PROPERTY	SUBMARKET	TENANT	SF	TYPE
910 Oscar Avenue, Madison	Dane County	Sub-Zero Group, Inc.	91,530	New
3480-3484 Millpond Road, Madison	Dane County	Brothers Main	39,573	New
240 N Birdsey Street, Columbus	Columbia County	GAR Plastic	38,000	New

KEY SALES TRANSACTIONS Q1 2021

PROPERTY	SUBMARKET	BUYER/SELLER	SF	PRICE/\$ PSF
450 S Division Street, Waunakee	Dane County	MJB 450 Holding, LLC / University Avenue Properties, LLC	190,000	\$7.75M / \$41
2547 Progress Road, Madison	Dane County	2547 Progress Road, LLC / Progress Road Investors, LLC	93,608	\$8.092M / \$87
616 Gateway Drive, Milton	Rock County	Frank Beer Distributors, Inc. / B&S Real Estate Holdings, Inc.	72,655	\$5.07M / \$70
6525 Blanchars Crossing, DeForest	Dane County	Devlily Properties, LLC / MadCap IV, LLC	64,500	\$5.7M / \$88
2750 Kennedy Drive, Beloit	Rock County	Corporate Contractors, Inc. / DM 4GK Beloit, LLC	60,445	\$1.875M / \$31

KEY CONSTRUCTION PROJECTS UNDERWAY

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
2900 Sub Zero Parkway, Fitchburg	Dane County	Sub Zero	350,000	Sub Zero
100 Resort Drive, Johnson Creek	Jefferson County	N/A	250,000	Dickman Company
Janesville	Dane County	N/A	178,000	Zilber Property Group
3075 Sub Zero Parkway, Fitchburg	Dane County	Promega	150,000	Promega Corporation
Highway 19 & Highway 51, DeForest	Dane County	Hooper Corporation	100,000	Hooper Corporation

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