

MARKETBEAT
MILWAUKEE
INDUSTRIAL Q4 2025



MARKET FUNDAMENTALS

	YOY Chg	Outlook
4.2% Vacancy Rate	▲	▲
1.6M YTD Net Absorption, SF	▲	▼
\$5.27 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▼	—

ECONOMIC INDICATORS

	YOY Chg	Outlook
856.7K Milwaukee Employment	▼	▲
3.4% Milwaukee Unemployment Rate	▲	▲
4.6% United States Unemployment Rate	▲	▲

Source: BLS, Moody's Analytics
Footnote: 2025Q3 data are based on latest available data

ECONOMY

Home to industry giants such as Rockwell Automation, Harley-Davidson, Milwaukee Tool, Generac and others, Metro Milwaukee has historically been a hub for manufacturing. The area's growing water technology and energy industries also position Milwaukee as a regional center of innovation. The region's unemployment rate increased 20 basis points (bps) year-over-year (YOY) to 3.4%, and overall employment decreased 1.0% YOY.

MARKET OVERVIEW

Milwaukee's industrial market recorded 937,237 square feet (sf) of positive absorption in Q4 2025, bringing the annual total to just under 1.6 million square feet (msf). However, vacancy remains elevated compared to a year ago, rising 50 bps to 4.2%.

Leasing activity was strong in Q4, with just over 1.8 msf signed, pushing 2025 totals to nearly 6.0 msf, a 20% increase YOY. New leasing activity (excluding renewals) in 2025 also rose from 2024 with a 14% YOY increase. Milwaukee and Waukesha Counties experienced the greatest new leasing activity in Q4, both totaling over 500,000 sf.

Asking rental rates softened slightly, declining 2% YOY to \$5.27 per square foot NNN, reflecting broader economic headwinds slowing rental growth.

Construction surged in 2025 after a quiet 2024, with 2.7 msf of space delivered, a 75% increase YOY. Notably, speculative construction deliveries fell 34% from 2024, while owner-user and build-to-suit projects reached record levels, signaling strong local investment and confidence in the region's economy.

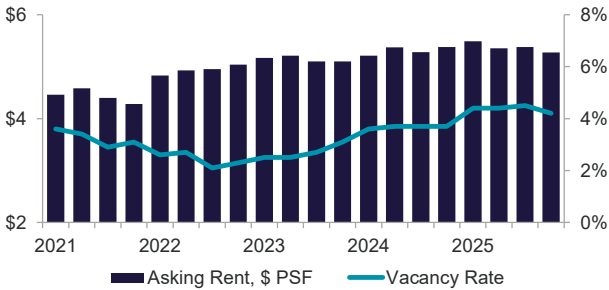
OUTLOOK

New activity in Milwaukee's industrial market continues to gain traction. What started as data-center-driven momentum has broadened, with more small tenants returning and increased interest in 100,000+ sf spaces. Overall leasing activity remains well above mid-year levels. Sales volume is also picking up, supported by strong buyer demand and ample liquidity. Rising site-improvement costs are becoming a larger factor for developers, but market sentiment remains steady. While national attention still highlights broader economic uncertainty, Wisconsin's industrial market is now being shaped by a wider base of demand. The data center boom remains a tailwind, but this quarter's strength reflects a more balanced and active market overall.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	YTD CNSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT* (MF)	OVERALL WEIGHTED AVG NET RENT* (OS)	OVERALL WEIGHTED AVG NET RENT* (W/D)
Milwaukee County	102,217,971	6,108,065	6.0%	448,246	250,352	418,511	598,744	\$4.36	\$5.00	\$5.47
Ozaukee County	12,686,993	667,863	5.3%	6,577	-482,439	0	0	\$5.11	\$5.50	\$5.50
Washington County	24,883,070	805,417	3.2%	309,234	1,172,535	291,140	859,272	\$5.57	\$6.74	\$7.16
Waukesha County	80,121,706	1,718,014	2.1%	173,180	637,053	538,994	1,249,089	\$6.24	\$7.20	\$6.84
MILWAUKEE TOTALS	219,909,740	9,299,359	4.2%	937,237	1,577,501	1,248,645	2,707,105	\$4.84	\$6.07	\$5.75

CLASSES	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	YTD CNSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT*
Manufacturing	113,462,606	4,682,155	4.1%	290,877	481,283	235,000	1,497,930	\$4.84
Office Service / Flex	39,117,584	863,558	2.2%	165,090	65,893	117,500	152,466	\$6.07
Warehouse - Distribution	67,329,550	3,753,646	5.6%	481,270	1,030,325	896,145	1,056,709	\$5.75

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

KEY LEASE TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
2950 N Roundy Cir, Pewaukee	Waukesha County	Amazon	149,843	Renewal
W210 N12995 Gateway Crossing, Germantown	Washington County	Flamingo Marine	140,000	New
5800 S Moorland Rd, New Berlin	Waukesha County	Viking Electric	136,693	New
4700 W Ironwood Dr, Franklin	Milwaukee County	API Heat Transfer	123,200	Renewal
100 W Oakwood Rd, Oak Creek	Milwaukee County	Atomix Logistics	107,482	New

KEY SALES TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	BUYER / SELLER	SF	PRICE / \$ PSF
7261 State Rd 60 & 1720 Innovation Way, Hartford	Washington County	STORE Capital / Helgesen Industries	338,726	\$24.0M / \$71
2201 W Southbranch Blvd & 7350 S 10th St, Oak Creek	Milwaukee County	Broadstone Net Lease / Furlani Foods	248,455	\$38.5M / \$155
11000 W Heather Ave, Milwaukee	Milwaukee County	Royal Oak Realty Trust / Saelens Corp.	84,200	\$8.4M / \$100

KEY CONSTRUCTION COMPLETIONS YTD 2025

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER / DEVELOPER
1000 Blue Ribbon Circle N, Oconomowoc	Waukesha County	N/A	226,800	HSA Commercial RE
3900 W Lincoln Ave, West Milwaukee	Milwaukee County	Palermo's	202,000	Dickman Real Estate
N53 W25374 Highlands Ct, Sussex	Waukesha County	N/A	138,992	Wangard Partners

KATIE GREMBAN

Interim Director of Research

Tel: +1 414 347 1000

kgremban@boerke.com

The Boerke Company, Inc. / Independently Owned and Operated / A Member of the Cushman & Wakefield Alliance

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield ("CWK"). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK's securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.