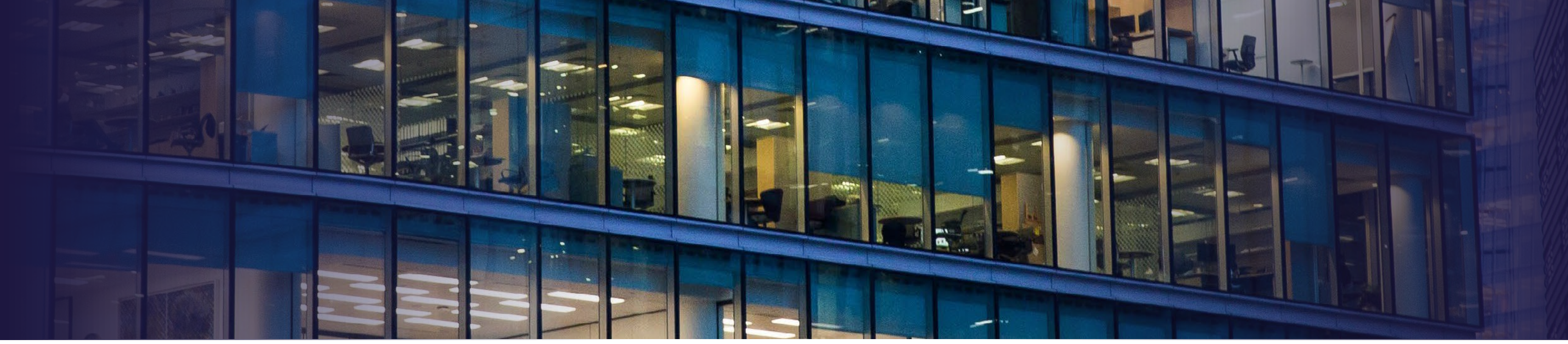
MARKETBEAT
MILWAUKEE
OFFICE Q2 2026



CUSHMAN & WAKEFIELD | BOERKE

MARKET FUNDAMENTALS

	YOY Chg	Outlook
23.6% Vacancy Rate	▼	—
75k YTD Net Absorption, SF	▲	—
$23.11 Asking Rent, PSF	▲	▲

(Overall, All Property Classes)

ECONOMIC INDICATORS

	YOY Chg	Outlook
853.1K Milwaukee Employment	▼	▲
3.8% Milwaukee Unemployment Rate	▲	▲
4.2% United States Unemployment Rate	—	▲

Source: BLS, Moody's Analytics
Footnote: 2026Q2 data are based on latest available data. U.S. unemployment rate reflects June 2026

ECONOMY

Home to six Fortune 500 companies, Metro Milwaukee is known for its historically strong manufacturing and financial services industries, along with a vibrant downtown area that has experienced a strong pandemic recovery, defying national trends. The region's unemployment rate increased 40 basis points (bps) year-over-year (YOY) to 3.8%, and overall employment decreased 0.8% YOY.

MARKET OVERVIEW

Metro Milwaukee's office market recorded 64,933 square feet (sf) of net absorption during the second quarter, lowering the market vacancy to 23.6%. The quarter's largest occupancy gain came from UW Credit Union's acquisition of Brookfield Lakes XV, bringing a previously vacant building back into service and contributing to positive market momentum.

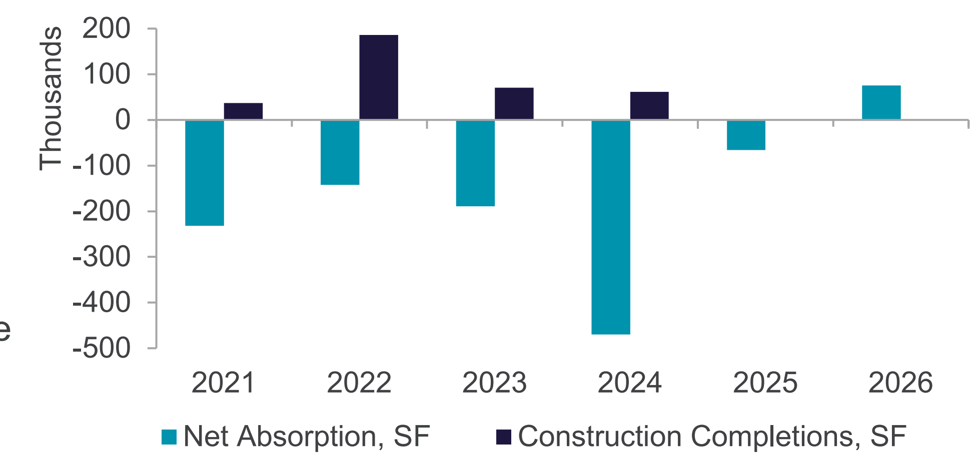
While Class A product continues to attract strong interest, leasing decisions among larger occupiers have become more deliberate, extending transaction timelines. For the second quarter, many completed transactions occurred in well-located Class B properties offering an attractive balance of quality and cost. Of the 167,936 sf of new leasing completed during the quarter, nearly 77% occurred in Class B assets, while most renewals were also concentrated in the segment. The largest lease was Wauwatosa School District STEM's 22,453-sf commitment in Wauwatosa.

Overall asking rents increased 2.0% year-over-year (YOY) to $23.11 per square foot (psf) gross, remaining within the $21-$24 psf range since late 2021. Class A asking rents increased 2.5% YOY to $28.33 psf, demonstrating continued pricing resilience despite elevated market vacancy.

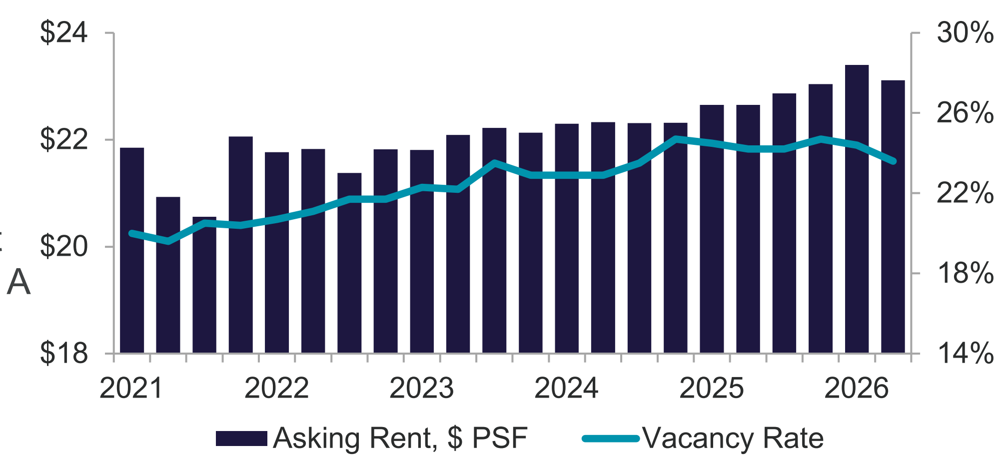
OUTLOOK

The second quarter saw a greater share of leasing activity completed in well-positioned Class B properties, though this is not expected to represent a lasting shift in market preferences. Demand for premier office space remains healthy, with Class A vacancy standing at just 15.6% marketwide, including a relatively tight 12.5% in the CBD, underscoring the limited availability of high-quality space in the region's most desirable locations. As larger leasing requirements move from evaluation to execution, Class A assets are expected to remain a key driver of future absorption, while Class B properties should continue to compete effectively by offering an attractive balance of quality, location, and value.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL AVAILABLE (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Downtown East	7,285,664	2,129,046	1,621,928	22.3%	29,533	18,310	82,822	0	$27.60	$32.42
Downtown West	3,860,906	1,122,210	943,094	24.4%	-44,885	-36,450	65,996	0	$22.94	$25.00
CBD TOTALS	11,146,570	3,251,256	2,565,022	23.0%	-15,352	-18,140	148,818	0	$26.05	$31.80
Brookfield	4,226,384	1,196,322	1,083,968	25.6%	39,581	116,384	196,609	0	$20.91	$24.58
Mayfair / Wauwatosa	3,666,602	1,279,871	673,488	18.4%	21,965	130,495	87,667	0	$20.14	$23.67
North Shore	1,131,402	386,785	322,652	28.5%	-15,979	-40,221	5,880	0	$21.33	NA
Northwest	2,454,382	882,415	550,700	22.4%	0	-44,649	40,448	0	$21.35	$22.71
Ozaukee	576,083	114,557	112,339	19.5%	6,511	17,670	33,709	0	$16.52	NA
Southeast	609,563	267,099	240,021	39.4%	0	-121,218	8,279	0	$32.02	$33.08
Southwest	266,993	45,641	38,748	14.5%	842	2,391	2,287	0	$18.29	NA
Third Ward / Walker's Point	2,016,385	410,637	293,896	14.6%	14,365	45,696	57,733	0	$25.31	NA
Waukesha / Pewaukee	2,324,921	765,219	706,257	30.4%	12,671	-4,695	52,058	0	$22.07	$24.93
West Allis	1,473,275	620,180	456,013	31.0%	329	-8,348	58,782	0	$16.55	NA
NON-CBD TOTALS	18,745,990	5,968,726	4,478,082	23.9%	80,285	93,505	543,452	0	$20.87	$25.15
MILWAUKEE TOTALS	**29,892,560**	**9,219,982**	**7,043,104**	**23.6%**	**64,933**	**75,365**	**692,270**	**0**	**$23.11**	**$28.33**

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
10201 Innovation Dr, Wauwatosa	Mayfair / Wauwatosa	Wauwatosa School (WSTEM)	22,453	New
310 W Wisconsin Ave, Milwaukee	Downtown West	American Works	19,483	Renewal
115800 W Bluemound Rd, Brookfield	Brookfield	Best Version Media	12,560	New
200 N Jefferson St, Milwaukee	Third Ward / Walker's Point	Neo Stella	12,000	New

KEY SALES TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	BUYER / SELLER	SF	PRICE / $ PSF
11000 W Lake Park Dr, Milwaukee	Northwest	Lake Park Six, LLC / K4K, LLC	238,129	$2.7M / $11
100 Woodland Prime, Menomonee Falls	Northwest	AJC Investment Group / Truist	110,000	$24.9M / $225
2022 W Florist Ave, Glendale	North Shore	Syndicated Equities / 2022 Florist, LLC	109,476	$45.43M / $415
300 N Patrick Blvd, Brookfield	Brookfield	University of Wisconsin Credit Union / Group RMC	51,184	$3.6M / $70

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