



FEATURED: SLINGER MERCHANT VILLAGE

Three Leaf Partners has announced the 100-acre mixed-use / industrial business park, Slinger Merchant Village, at the SWC of I-41 and State Hwy 60. With a total of 65.6 industrial acres, approx. 11.3 acres will be 'Pad Ready' in the coming months. Additionally, there is 36.4 acres of commercial land also included in the development.

MARKET SNAPSHOT

	Absorption	Vacancy	Avg. Lease Rate	Under Construction
OVERALL	↑ (9,474)	↑ 5.72%	↑ \$6.82	↓ 3,045,071
CENTRAL	↑ (893,324)	↑ 7.23%	↑ \$5.78	↑ 644,326
NORTHERN	↑ 358,719	↑ 2.27%	↑ \$6.83	↓ 521,793
SOUTHERN	↓ (375,319)	↑ 11.58%	↑ \$7.05	↓ 1,449,000
WESTERN	↑ 149,812	↑ 1.11%	↑ \$7.79	↓ 429,952

Arrows denote change from previous quarter

SUBMARKET HIGHLIGHTS

CENTRAL

MILWAUKEE COUNTY

- The Central submarket had a strong start in 2024, with twenty (20) industrial sales occurring during Q1, including two large sale leasebacks to buyer Thomas Schafer for both Allis-Roller's plant at 5801 W Franklin Drive in Franklin and WPC Technologies's facility at 7350 S 6th Street in Oak Creek for \$7,166,667 (\$84.95/SF) and \$5,400,000 (\$71.89/SF), respectively.
- In development news, St. John Properties announced it is planning to develop a business park in Oak Creek with four buildings totaling approximately 150,000 square feet.

NORTHERN

SHEBOYGAN, OZAUKEE & WASHINGTON COUNTIES

- The theme of low vacancy rates in the industrial sector continues to be evident in the Northern submarket with vacancy is hovering around 2.27%. Although this is traditionally a good indicator that new development is necessary and as such, in high demand; high interest rates have dramatically slowed the velocity of new construction.
- However, one project that is underway in 2024 is Green Bay Packaging's new \$60 million, 233,450 square foot regional manufacturing facility in Germantown.

SOUTHERN

RACINE & KENOSHA COUNTIES

- The southern region continues to be the most active submarket in SE WI's industrial sector with three Q1 deals accounting for nearly a million square feet of activity. However, the submarket boasts the highest vacancy due to all the speculative development in the area.
- In Somers, Saputo Cheese announced a 310,500 square foot cold storage facility; while Atlanta-based WestRock Company submitted plans to open a \$140 Million, 593,564 square foot corrugated box plant in Pleasant Prairie that will create up to 200 new jobs.

WESTERN

WALWORTH & WAUKESHA COUNTIES

- The Luther Group secured two tenants, Rexel USA, Inc and Everlight Solar LLC, on their speculative 79,200 square foot industrial facility located at W134N5450 Campbell Drive in Menomonee Falls -- resulting in the building being 100% leased prior to delivery.
- With limited inventory and subsequently higher lease rates, a trend of companies opting for expansions/additions to their existing facilities versus leasing new premises has begun to emerge -- particularly in the Western submarket. (i.e. Alto-Shaam)

NOTABLE SALE TRANSACTIONS

LOCATION	SUBMKT	SALE PRICE	PSF	BLDG. SF
<u>700 E Rawson Avenue</u>	Central	\$19,305,000	\$231.50	83,392
<u>900 W Drexel Avenue</u>	Central	\$6,500,000	\$49.51	131,290
5731 Ridgewood Drive	Western	\$4,700,000	\$70.30	66,853
16600 W Rogers Drive	Western	\$2,600,000	\$77.38	33,600
1505 Arcadian Avenue	Western	\$1,430,000	\$107.98	13,243
7579 Friendly Drive	Northern	\$1,900,000	\$120.87	15,719
<u>11600 Dixon Street</u>	Central	\$1,550,000	\$75.46	20,540
22921 Joseph Road	Western	\$1,300,000	\$89.11	14,588

NOTABLE LEASE TRANSACTIONS

LOCATION	SUBMKT	TENANT	SF
First Park 94 Building D	Southern	Purpose Built Brands	209,054
<u>Lakeview Corporate Park</u>	Southern	Concept Laboratories	146,900
<u>W204N13035 Goldendale Rd</u>	Northern	WB Warehousing	117,324
16405 W Lincoln Avenue	Western	Advanced Ionics	50,110
W134 N5450 Campbell Drive	Western	Rexel USA, Inc.	59,388
W134 N5450 Campbell Drive	Western	Everlight Solar LLC	19,738
5172 S 13th Street	Central	Vlassis Direct Mail	40,325
6600 W Washington Street	Central	Geo-Synthetics Systems	37,593

Property Type	Buildings	Building Size	Q1 Total Available (SF)	Q1 Total Vacant (SF)	Q1 Vacancy Rate (%)	Q1 Total Absorption (SF)	Q1 Avg Lease Rate
CENTRAL:	1,698	122,416,794	11,611,445	8,844,989	7.23%	(893,324)	\$5.78
Flex/R&D	59	3,126,870	665,850	603,392	19.30%	(9,430)	\$7.04
Manufacturing	662	60,273,950	5,442,290	4,210,593	6.99%	(497,874)	\$4.82
Warehouse - Distribution	287	35,407,302	3,330,201	2,459,356	6.95%	(156,550)	\$5.96
Warehouse Office	690	23,608,672	2,173,104	1,571,648	6.66%	(229,470)	\$5.96
NORTHERN:	1,002	72,627,458	2,238,716	1,647,044	2.27%	358,719	\$6.83
Flex/R&D	38	1,230,246	100,452	66,198	5.38%	(15,755)	\$8.75
Manufacturing	501	43,720,717	715,851	611,372	1.40%	73,824	\$5.06
Warehouse - Distribution	128	18,018,995	984,951	770,922	4.28%	49,490	\$5.50
Warehouse Office	335	9,657,500	437,462	198,552	2.06%	251,160	\$7.18
SOUTHERN:	720	90,175,923	10,678,367	10,440,841	11.58%	375,319	\$7.05
Flex/R&D	21	1,380,953	233,092	29,414	2.13%	3,028	\$8.25
Manufacturing	293	25,452,928	305,331	248,222	0.98%	27,833	\$6.59
Warehouse - Distribution	194	55,708,532	9,405,827	9,720,025	17.45%	344,458	\$5.75
Warehouse Office	212	7,633,510	734,117	443,180	5.81%	0	\$6.95
WESTERN:	1,984	100,249,701	3,091,876	1,117,497	1.11%	149,812	\$7.79
Flex/R&D	176	7,355,240	430,366	163,065	2.22%	537	\$8.66
Manufacturing	714	47,193,748	1,466,193	383,381	0.81%	97,600	\$5.68
Warehouse - Distribution	188	21,757,163	695,431	272,476	1.25%	129,284	\$7.37
Warehouse Office	906	23,943,550	499,886	298,575	1.25%	(77,609)	\$6.91
TOTALS	5,404	385,469,876	27,620,404	22,050,371	5.72%	(9,474)	\$6.89

Source: Data provided by Moody's Analytics and augmented by Founders 3 Real Estate Services

FOR MORE DETAILED MARKET DATA, A VALUATION OF YOUR PROPERTY, AN ANALYSIS OF YOUR LEASE, OR SPACE REQUIREMENTS, PLEASE CONTACT A FOUNDERS 3 PROFESSIONAL BELOW.

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