



**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
<b>OVERALL</b>	↑ (9,474)	↑ 5.72%	↑ \$6.82	↓ 3,045,071
<b>CENTRAL</b>	↑ (893,324)	↑ 7.23%	↑ \$5.78	↑ 644,326
<b>NORTHERN</b>	↑ 358,719	↑ 2.27%	↑ \$6.83	↓ 521,793
<b>SOUTHERN</b>	↓ 375,319	↑ 11.58%	↑ \$7.05	↓ 1,449,000
<b>WESTERN</b>	↑ 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
<b>CENTRAL:</b>	<b>1,698</b>	<b>122,416,794</b>	<b>11,611,445</b>	<b>8,844,989</b>	<b>7.23%</b>	<b>(893,324)</b>	<b>\$5.78</b>
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
<b>NORTHERN:</b>	<b>1,002</b>	<b>72,627,458</b>	<b>2,238,716</b>	<b>1,647,044</b>	<b>2.27%</b>	<b>358,719</b>	<b>\$6.83</b>
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
<b>SOUTHERN:</b>	<b>720</b>	<b>90,175,923</b>	<b>10,678,367</b>	<b>10,440,841</b>	<b>11.58%</b>	<b>375,319</b>	<b>\$7.05</b>
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
<b>WESTERN:</b>	<b>1,984</b>	<b>100,249,701</b>	<b>3,091,876</b>	<b>1,117,497</b>	<b>1.11%</b>	<b>149,812</b>	<b>\$7.79</b>
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
<b>TOTALS</b>	<b>5,404</b>	<b>385,469,876</b>	<b>27,620,404</b>	<b>22,050,371</b>	<b>5.72%</b>	<b>(9,474)</b>	<b>\$6.89</b>

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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