

MARKET UPDATE 2019

PRESENTED BY:



FIFTH THIRD BANK

NAIOP

COMMERCIAL REAL ESTATE
DEVELOPMENT ASSOCIATION
WISCONSIN CHAPTER

— FIFTEENTH ANNIVERSARY —

Milwaukee Retail Market



Max Jacobson
Mid-America Real Estate - WI



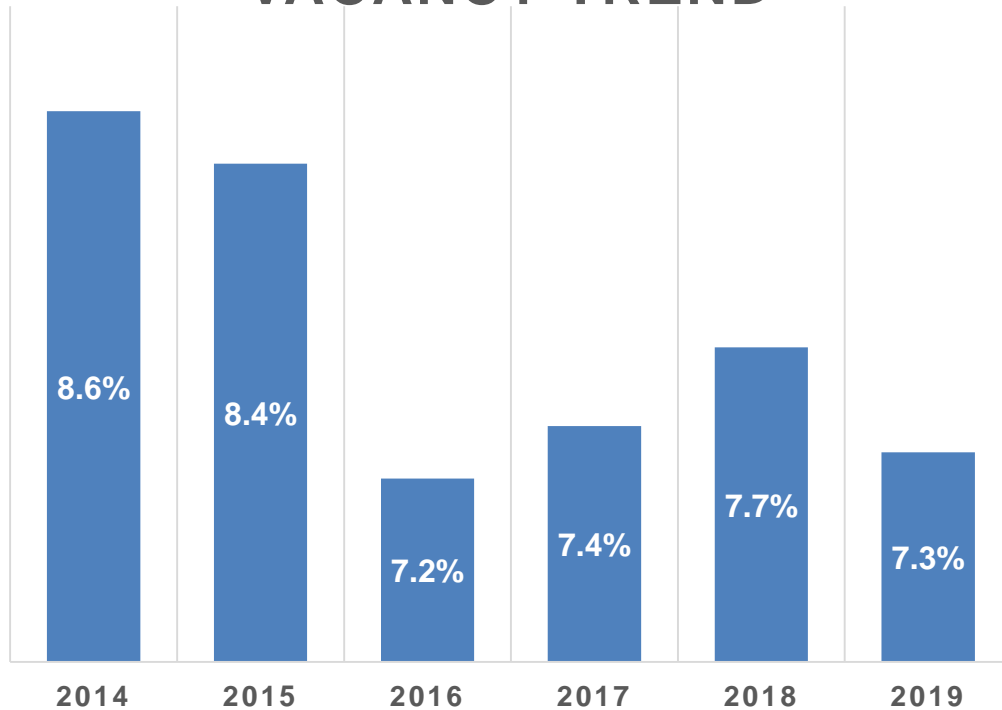
Milwaukee Retail Market

- Milwaukee market statistics
- Notable deals and developments
- National retail trends
- Last year's predictions from Brian Vanevenhoven and a few of my own for 2020

Retail Market

by the numbers

VACANCY TREND



- Total Retail GLA: 42.4 MM SF
- Occupied Space: 38.6 MM SF
- Vacant Space: 3.8 MM SF
- Vacancy Rate : 7.3%

Retail Market

Absorption

VON MAUR

URBAN AIR
ADVENTURE PARK



ROUND 1

five BELOW

T.J. maxx

North Retail Market

Inventory SF	Total Vacant SF	Vacancy Rate	Absorption
8,917,664	841,932	9.4%	(158,699)



Bayshore



Nicolet Soccer Development



Mequon Public Market

West Retail Market

Inventory SF	Total Vacant SF	Vacancy Rate	Absorption
12,886,478	835,723	6.5%	13,768



The Corridor



Brookfield Square



The Corners of Brookfield

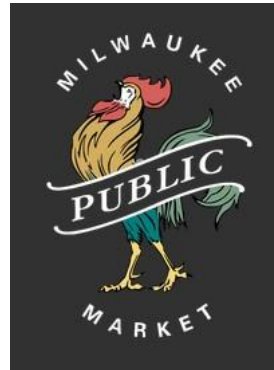


Central Retail Market

Inventory SF	Total Vacant SF	Vacancy Rate	Absorption
8,449,802	662,265	7.8%	(92,806)



Fiserv Forum / Deer District



Public Market



The Avenue

South Retail Market

Inventory SF	Total Vacant SF	Vacancy Rate	Absorption
12,114,378	772,164	6.4%	308,005



84 South



Southridge Mall

KEY PLAN
DAYTIME EYE LEVEL VIEW

National & Local Retail Trends



IHL States:

More than five retail chains are opening stores for every retailer that is closing stores in 2019, according to research from IHL Group, which is up from 3.7 in 2018. The company also reports that the number of chains adding stores in 2019 has increased 56%, while the number of closing stores has decreased by 66% in the last year.



National & Local Retail Trends

Entertainment



TOPGOLF



SKY ZONE
TRAMPOLINE PARK



ADVENTUREROCK

ROUND1



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National & Local Retail Trends

Health & Wellness

BARRY'S

drybar



CYCLEBAR



PROSE

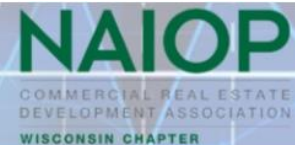


**Stanton
OPTICAL**

CLUB PILATES



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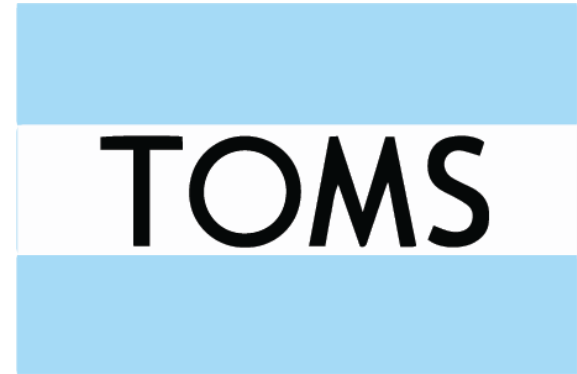


National & Local Retail Trends

Experiential Retail

WARBY PARKER
eyewear

allbirds



SHINOLA

CANADA GOOSE

 PELOTON

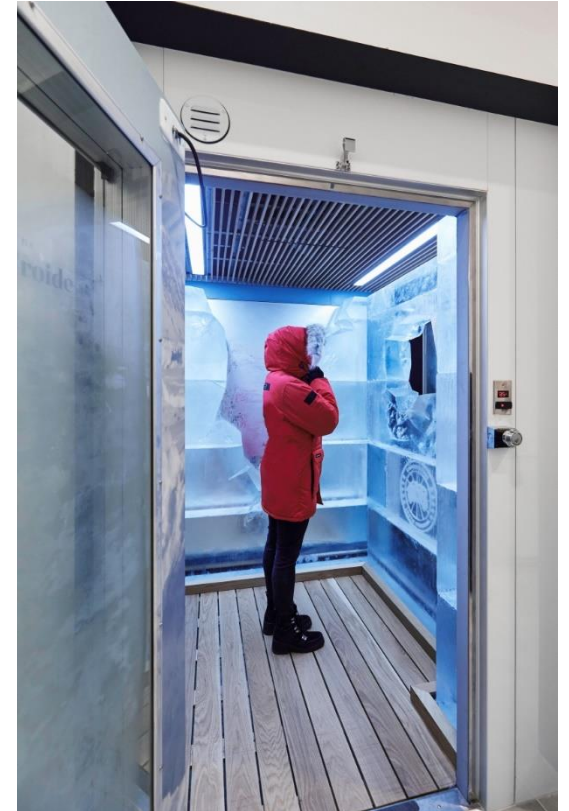
 lululemon

UNTUCKit 

National & Local Retail Trends

Experiential Retail

CANADA GOOSE



National & Local Retail Trends

Traditional Retailers



Milwaukee Retail Market

2019 Predictions – Brian Vanevenhoven

- “Vacancy rates will rise, but only slightly”
- “Brick and mortar retail will continue to merge with online retail”
- “Amazon is far from done and could make another big purchase of another brick and mortar store in 2019”
- “The traditional mall is changing, but is far from dead”
- “Online grocery sales will continue to increase, but total sales will be far outpaced in brick and mortar stores”

Milwaukee Retail Market

2020 Predictions – Max Jacobson

- Several of the boutique fitness concepts will close their doors.
- Marijuana will NOT be legalized in WI.
- Leasing velocity at the Deer District (Bucks Arena) will skyrocket after the Bucks win the NBA 2020 Championship!