

2022 Market Update



Presented By:



**Brookfield Conference Center
December 15th, 2022
8:00 AM Networking & Breakfast
9:00 AM Program**

2022 Market Update

Emcee

Bailey Copeland - Greywolf Partners

Office Market Speaker

Joe Moritz - Colliers

Industrial Market Speaker

Nick Keys - The Dickman Company

Retail Market Speaker

Hakan Hare - Founders 3 Real Estate Services

Investment Market Speaker

Dave Tighe - Cushman & Wakefield | Boerke

Special thanks to Nathan Winkel of Newmark for coordinating the research.

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Emcee and Moderator - Bailey Copeland, Greywolf Partners



With more than 17 years working in commercial real estate, Bailey has extensive experience in an array of areas including development, development management, leasing, sales, acquisitions, entitlements, property management and marketing. She is skilled at development management, land assemblage, contract negotiation, leasing, portfolio management, budget preparation and construction project management. Bailey is also proficient in managing the entire real estate development process from site identification and due diligence to construction through completion. She has led the charge of many high-profile projects throughout her career, including procuring properties for St. Augustine Preparatory Academy and the United Community Center Early Learning Academy projects on Milwaukee's south side. Bailey is active in both the real estate industry, but also in her local community where she shares her talent and time with many real estate organizations.

Office Market Presenter - Joe Moritz, Colliers



Joe is a seasoned real estate veteran, having been in the real estate industry since 2007. As an office broker, Joe's core business is sale, lease and development transactions of office buildings throughout Southeastern Wisconsin. Joe also specializes in landlord representation. Joe is currently responsible for the brokerage services of over two and half million square feet market wide.

Joe is highly motivated, resourceful and goal and client-focused. He has a proven track record with the rebranding and lease-up of an array of suburban and CBD office projects. Joe's ability to understand the unique aspects of each asset and communicate those attributes to the marketplace in an effective and targeted manner has provided his clients with an unmatched level of service and results. Joe has worked on behalf of some of the most prominent and active area landlords to negotiate lease transactions and create value through creative marketing and branding strategies. He is an Eagle Scout with a BSBA Marketing degree from Xavier University. Joe is married, has two sons and currently lives in Mequon.

Industrial Market Presenter - Nick Keys, The Dickman Company



Nick Keys is a Principal and Shareholder at The Dickman Company, Inc. Nick specializes in investment sales, value-add redevelopment, lease negotiation and property valuation. Nick graduated from the University of Wisconsin-Milwaukee with a BA in Business Administration. Through his interest in the UW-Milwaukee real estate program, as well as previous sales and installation experience in the construction industry, Nick entered the world of commercial real estate with solid understanding of industry.

Over his 10-year career with The Dickman Company, Nick has brokered 100's of transactions across the State of Wisconsin. His focus on building long-term relationships while helping clients navigate complex transactions has helped him build a reputation as a top broker in the Southeastern Wisconsin market. When out of the office, Nick enjoys spending time with his wife and dog at their home in Menomonee Falls. In addition to spending time with family and friends, Nick enjoys cooking, hiking and traveling.

Retail Market Presenter - Hakan Hare, Founders 3 Real Estate Services



Hakan has specialized in the sale and lease of retail property since 2015. Prior to joining Founders 3 Real Estate Services, Hakan was the owner and operator of Le Cakery, a cafe, bakery, and pizzeria; and served as General Manager at Vinci Restaurant in Chicago and Il Mito Enoteca Restaurant in Milwaukee. He brings over 25 years of small business management hospitality and food service experience. Hakan is an expert in understanding the retail business and brings

unparalleled customer service and creative problem-solving skills to each transaction. He is a true advocate for his clients. Hakan has negotiated numerous retail lease transactions for a variety of clients and represented a wide range of different businesses including fast food casual restaurants (MAC's, Teriyaki Madness, Fresh Fin), cafes, gas stations, salons, auto shops, financial services, and more. He has also helped multiple clients with building purchases for their businesses and future investments



David is a key member of the firm's Investment Sales/Capital Markets Team specializing in the sale of income producing properties. David focuses his efforts working with both local and national investors advising them on strategies to maximize the value of their real estate. His areas of expertise include Buyer and Seller representation, investment analysis, site selection and property assemblage.

David has experience helping his clients with the marketing and disposition of value add, core, portfolio, REO and distressed properties. Although he has only been working within the industry for less than five years, he has sold in excesses of \$40 million in investment real estate, boasting transactions in all of the major asset classes – Office, Industrial, Retail and Multi-family. Prior to joining Cushman & Wakefield | Boerke, David worked at a local Real Estate Firm, in their Commercial Investment division. In addition to his professional involvements, David is also a Youth Hockey Coach at the Milwaukee Winter Club working with local 7th and 8th grade boys and girls to get ready for High School Hockey.



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Ground Rules

Retail Ground Rules:

- The Retail tracked set is made up of retail centers larger than 20,000 SF.
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Office Ground Rules:

- The Office tracked set is made up of Multi-tenant, investment-owned office buildings larger than 20,000 SF. While medical single-tenant owner-occupied and government buildings are excluded.
 - Properties that were designed to be multi-tenant are included in this report even if they have been leased entirely to one tenant. Single-tenant leased properties that were developed on a build-to-suit basis, and that would not function well as multi-tenant properties, are not included in this report. Owner-occupied properties are also not included in this report.
 - Rental rates based on quoted net rates. Actual effective rates will vary.
 - Expenses are quoted as an estimate for the 2022 calendar year.
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Industrial Ground Rules:

- The Industrial tracked set is made up of Multi-tenant Flex and Warehouse buildings larger than 25,000 SF and single-tenant build-to-suit buildings larger than 60,000 SF. While owner-occupied properties are excluded.
- Rental rates are based on quoted net rates exclusive of transaction costs. Actual effective rates will vary.
- Expenses are quoted as estimates for the 2022 calendar year.

Sub-Market Narratives

North – The North submarket includes parts of three separate counties including the eastern portion of Washington County, the entire Ozaukee County, and the northern portion of Milwaukee County ending with Shorewood. The submarket is bordered to the south by Capitol Drive, the north by the Ozaukee County border, and the east by the lake. The west border includes the southeast portion of Washington County including the Menomonee Falls, Germantown, and all the way up to Jackson municipalities.

Central – The Central submarket includes the majority of Milwaukee County and is the urban submarket in that it includes the City of Milwaukee out to Wauwatosa. The submarket is bordered to the east by Lake Michigan, the west by the Waukesha County border (124th Street), south along Highway 894, and north to Capitol Drive and a small portion North of Capitol up to Hampton to the western border. Along with Milwaukee and Wauwatosa, the submarket also includes the municipalities of Cudahy and St. Francis to the south and West Allis and Greenfield to the west.

South - The South market is bordered on the north by I-43 and I-894. It runs from 124th Street on the western edge, to Lake Michigan on the east. The southern border of this market is Hwy 20 in Racine. The South market jogs west to include Wind Lake as well. The municipalities range from Greendale on the northern border, to portions of Racine to the south.

West - The West market is made up of primarily Waukesha County. It includes all municipalities in Waukesha County, except for Lannon, Butler, and Menomonee Falls. The eastern border of this market is 124th Street, and the northern border is Good Hope Road (except for the NE corner). The municipalities in this market range from Brookfield and New Berlin on the eastern edge, to Oconomowoc as a western border. The northern part of this market includes Sussex and Stonebank. The southern municipalities are Muskego and Big Bend.

The **Kenosha Market** northern border extends from Hwy 20 in Racine, (the southern border of the South Submarket) to the southern border of the Wisconsin State Line. The western border (in Racine County portion) is Hwy 164, and on the eastern border, the Lake Michigan shoreline. The western border of the Kenosha Market (in the Kenosha County portion) runs from Hwy P to the eastern border, which is the Lake Michigan shoreline.

A panoramic view of the Milwaukee skyline at sunset. The sky is a mix of pink, orange, and purple. Several skyscrapers are visible, including the prominent Bank of America Tower with its blue-tinted upper section. The city lights are beginning to glow, and the foreground shows a rooftop with HVAC units and a street with cars.

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