



Department of Planning & Community & Economic Development  
**Economic Development Division**

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To: Heather Stouder

CC: Matt Mikolajewski

From: Dan Rolfs

September 28, 2020

RE: Cottage Grove Road / Monona Drive / East Madison Commercial Vacancies

At your request, Staff have reviewed available market data for the area in and around the Cottage Grove Road / Monona Drive intersection (the "Intersection"), and the greater east side of Madison. I am including the attached retail submarket reports for NE and SE Madison from CoStar Research Group. These submarket areas cover the vast majority of the east side of the City of Madison (see maps on pages 8 or 9). Additionally, Staff have reviewed available data from the CoStar database for properties within 1 mile of this intersection. These data show the following:

- **Current increases in retail vacancies** (i.e. Negative absorption);
  - Increased vacancies lead to falling rents, lower property values, market instability, and over the long-term, blighted conditions. The data the CoStar tracks for office, retail, and flex properties within one mile of the Intersection shows vacancy rates have increased from 3.9% in 2019 Q4 to 5.2% today. Note that the CoStar data from within one mile of this Intersection available to Staff does not include a full review of all properties that exist within this area.
- **Currently decreasing rents** (between 4%-6% down over the next 18-24 months);
  - Decreasing rents are a sign of low demand for retail space. This is due to both the COVID pandemic, along with the overall long-term decline in need for retail spaces as businesses shift to online models. Data from CoStar from within one mile of the Intersection indicate that rents have been in decline since 2020 Q1, or just as the COVID pandemic began.
- **Projections for higher vacancy and lower rents for the next 18-24 months;**
  - Higher vacancies will lead to lower rents and will make it more difficult for new projects to secure financing to build additional retail space, as lenders may see it as a financial risk for the project. Additionally, it will make prospective tenants more selective in where they choose to locate, given the need for both higher traffic to succeed, the need to compete against online stores, and the COVID pandemic.

While Staff do not have up-to-the-minute vacancy data for every property in this area, the information provided in both the CoStar reports and other data that we track point towards increasing retail vacancies and declining rents now and into the next 18-24 months. While Staff believes that there are opportunities three to five year from now for specific locations in these submarkets to capitalize on new projects and increasing density in the NE and SE Madison markets, the market for retail and commercial space will continue to be soft to declining.



# Retail Submarket Report

# Northeast Madison

Madison - WI

**PREPARED BY**

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Dan Rolfs  
Community Development Project Manager



**RETAIL SUBMARKET REPORT**

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# Overview

## Northeast Madison Retail

12 Mo Deliveries in SF

**34.2 K**

12 Mo Net Absorption in SF

**(53.3 K)**

Vacancy Rate

**5.6%**

12 Mo Rent Growth

**0.1%**

Retail vacancies in Northeast Madison were slightly elevated relative to the five-year average during the third quarter, and they trended upwards in the past year. The rate also sits above the overall market's average. Meanwhile, retail rents have hardly budged over the past year.

As for construction, Northeast Madison does not appear to face a burgeoning wave of supply pressure, and the pipeline is pretty empty.

Retail properties trade with regularity in Northeast

Madison, and this past year proved no different, as investors remained just as engaged in the submarket. Relative to Madison, market pricing sits at \$135/SF, which is right in line with the region's average pricing.

However, the coronavirus outbreak has led to considerable uncertainty in commercial real estate. The effects of the pandemic will likely continue having a profound impact on demand, rent growth, and investment trends, and the retail sector, in particular, could face significant headwinds.

### KEY INDICATORS

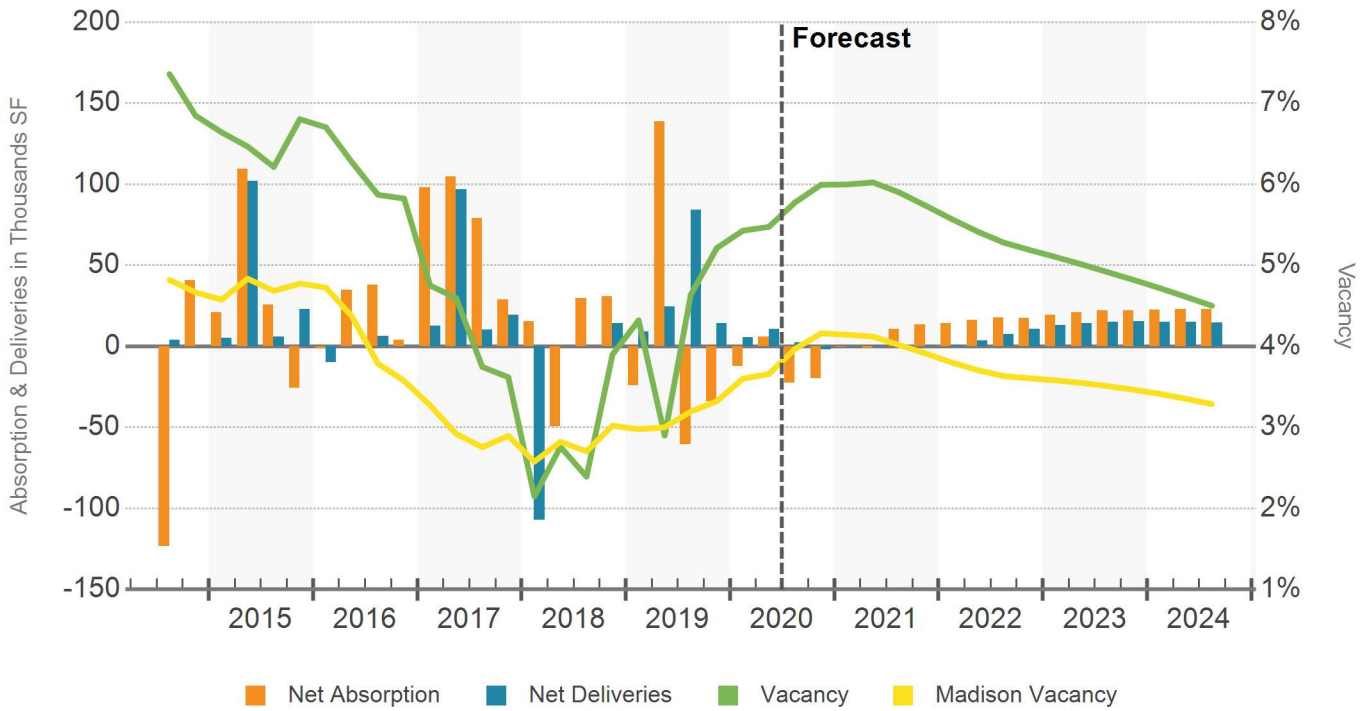
Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	1,002,471	19.8%	\$17.02	20.2%	(8,280)	0	0
Power Center	1,055,414	3.5%	\$16.35	3.5%	0	0	0
Neighborhood Center	1,105,886	8.7%	\$12.61	9.6%	10,240	0	0
Strip Center	382,285	9.4%	\$14.43	9.4%	(3,435)	0	0
General Retail	4,685,225	2.1%	\$13.93	3.4%	(10,089)	2,200	0
Other	0	-	-	-	0	0	0
<b>Submarket</b>	<b>8,231,281</b>	<b>5.6%</b>	<b>\$14.46</b>	<b>6.6%</b>	<b>(11,564)</b>	<b>2,200</b>	<b>0</b>

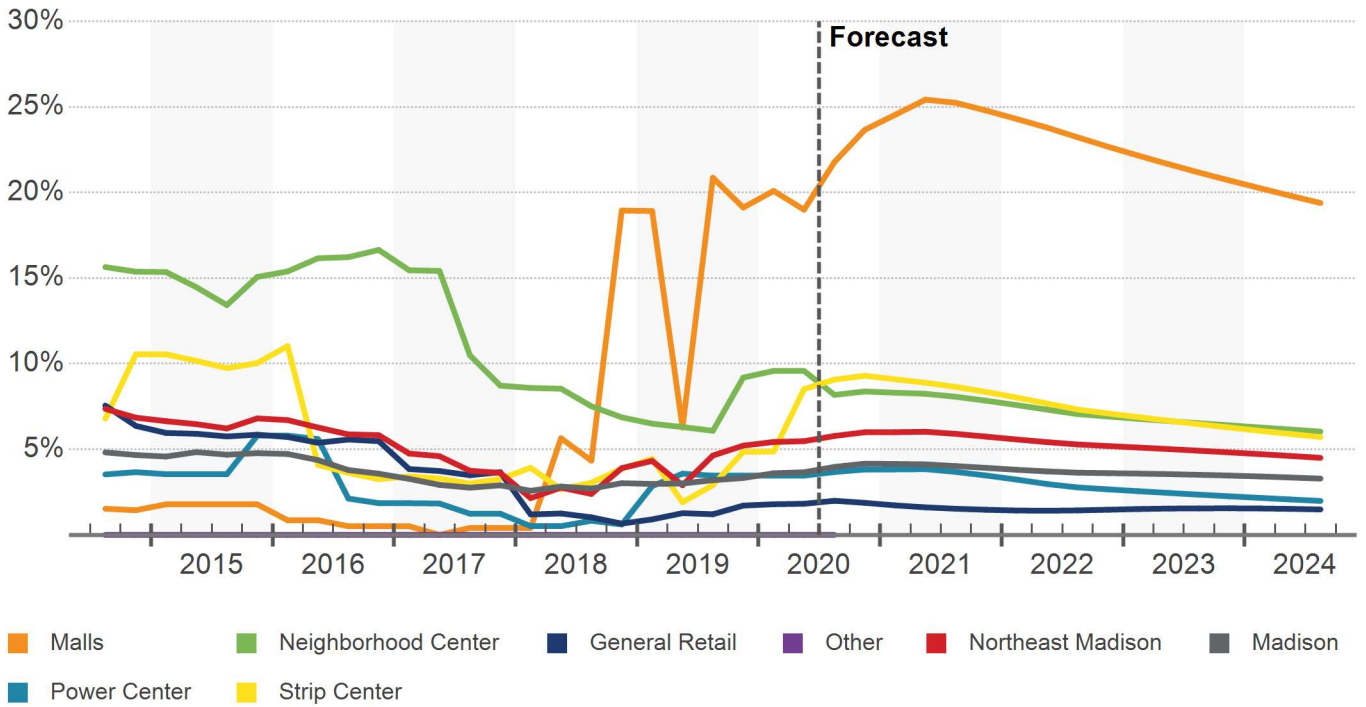
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.0%	5.0%	5.2%	7.4%	2014 Q3	2.1%	2018 Q1
Net Absorption SF	(53.3 K)	85,842	44,284	421,912	2013 Q1	(104,301)	2014 Q3
Deliveries SF	34.2 K	96,125	40,040	368,650	2013 Q1	0	2012 Q1
Rent Growth	0.1%	0%	0.6%	3.0%	2015 Q4	-4.4%	2010 Q1
Sales Volume	\$22.9 M	\$27.2M	N/A	\$64.3M	2018 Q2	\$2.1M	2011 Q4



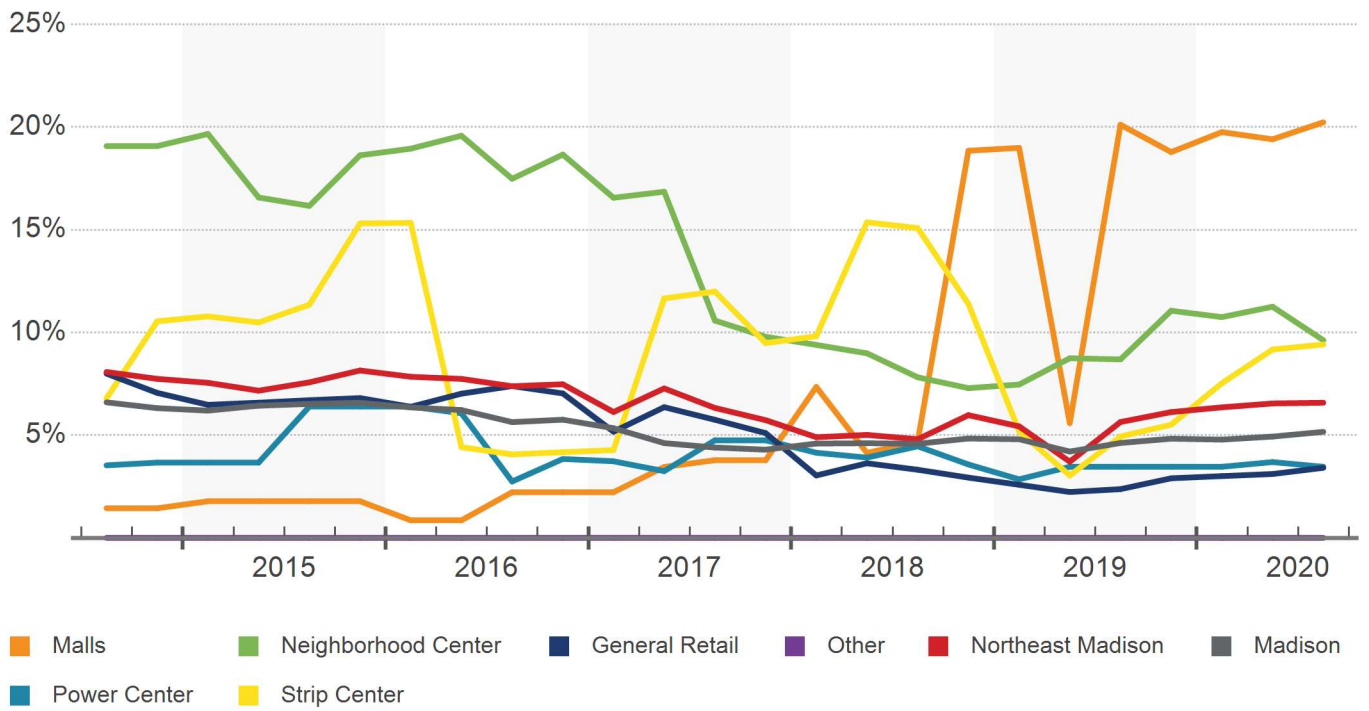
### NET ABSORPTION, NET DELIVERIES & VACANCY



### VACANCY RATE



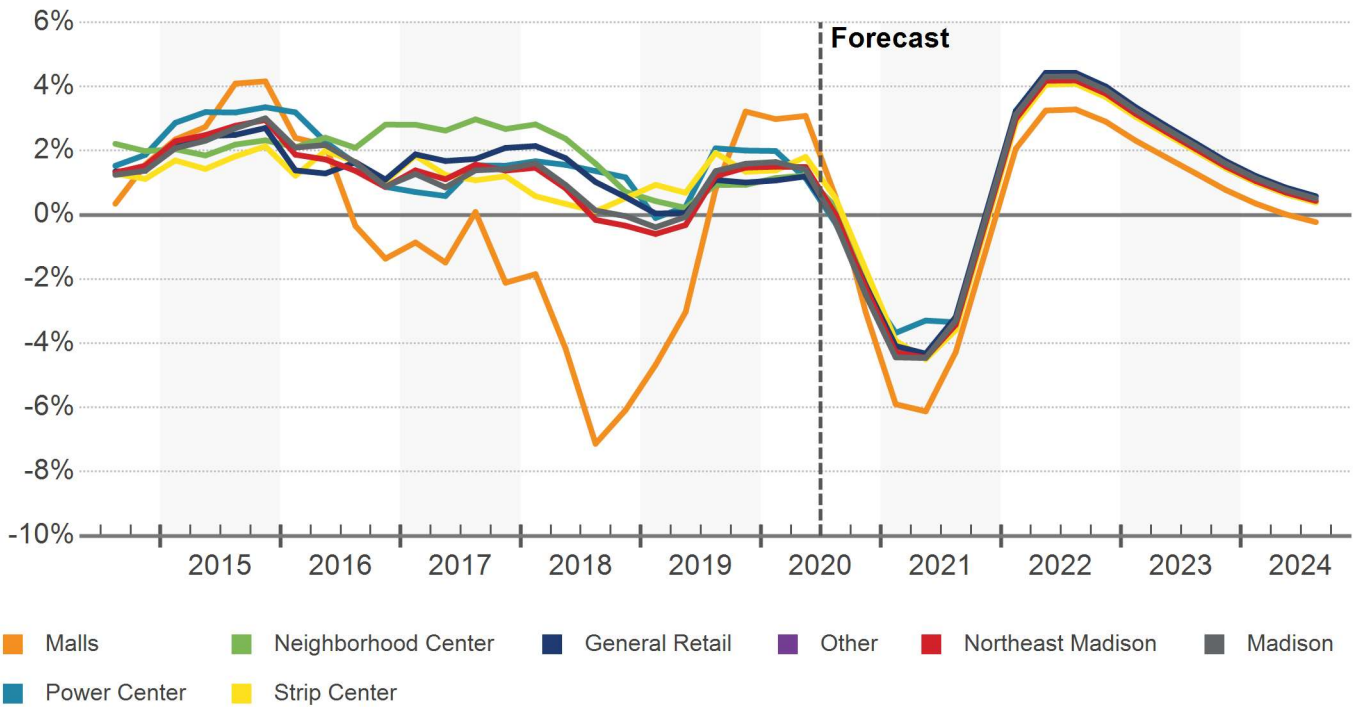
### AVAILABILITY RATE



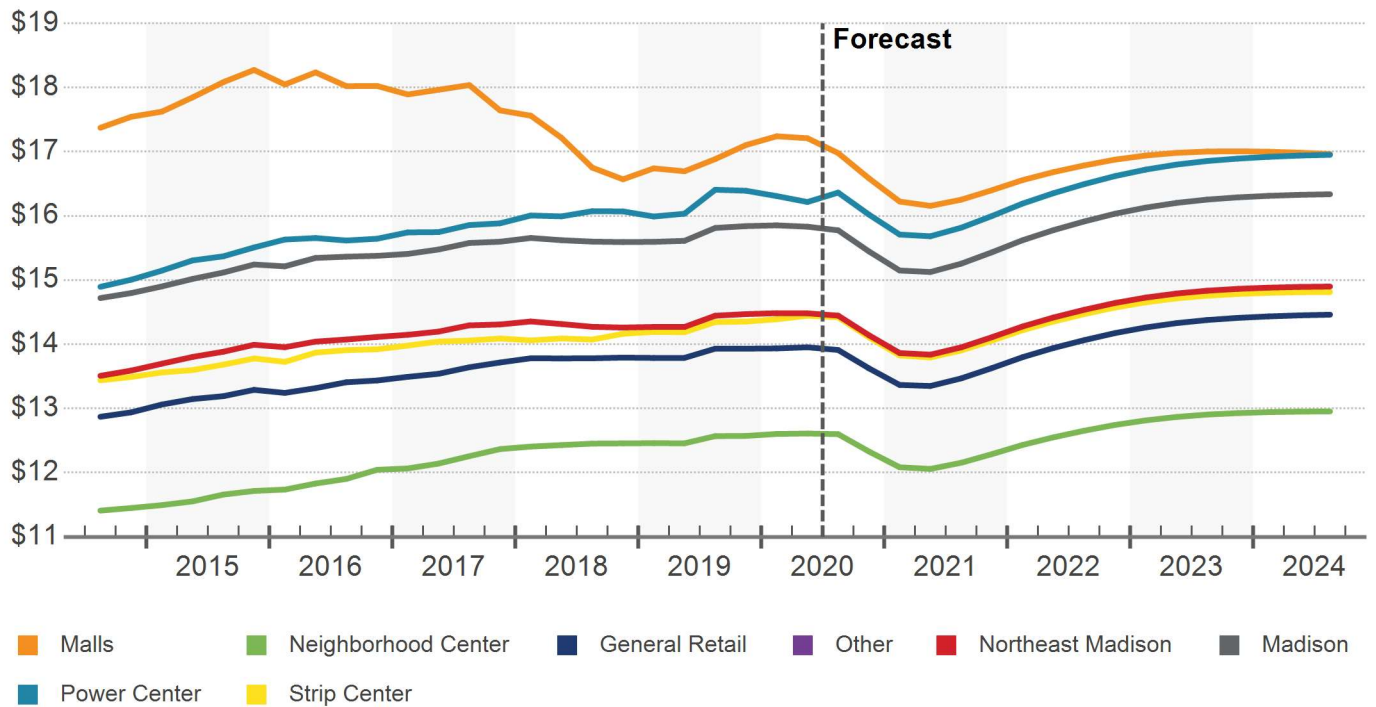
### 3 STAR MOST ACTIVE BUILDINGS IN SUBMARKET - PAST 12 MONTHS

Property Name/Address	Rating	GLA	Deals	Leased SF	12 Mo Vacancy	12 Mo Net Absorp SF
<b>East Towne Mall</b> 43-89 E Towne Mall	★ ★ ★ ★ ★	412,601	3	17,433	5.4%	15,216
<b>4702 E Towne Blvd</b>	★ ★ ★ ★ ★	10,500	1	1,400	13.3%	9,100
<b>2338 E Springs Dr</b>	★ ★ ★ ★ ★	66,926	1	5,756	3.4%	5,756
<b>Lien Crossing</b> 4303-4351 E Towne Way	★ ★ ★ ★ ★	30,830	2	8,200	11.7%	3,500
<b>2540-2550 Ironwood Dr</b>	★ ★ ★ ★ ★	5,918	1	1,857	0%	0
<b>2201 Zeier Rd</b>	★ ★ ★ ★ ★	94,105	1	94,105	0%	0
<b>2929 Atwood Ave</b>	★ ★ ★ ★ ★	15,840	1	1,073	1.4%	0
<b>Avenue Shoppes</b> 1753-1773 Thierer Rd	★ ★ ★ ★ ★	22,509	1	12,300	10.9%	0
<b>Grand on Main</b> 120 N Grand Ave	★ ★ ★ ★ ★	80,000	1	1,962	7.6%	(200)
<b>Rolling Meadows</b> 4620-4692 Cottage Grove Rd	★ ★ ★ ★ ★	35,550	4	9,273	6.1%	(3,300)
<b>601 N Sherman Ave</b>	★ ★ ★ ★ ★	12,500	1	1,520	23.1%	(3,820)
<b>Essex Square</b> 4222-4260 E Towne Blvd	★ ★ ★ ★ ★	43,973	1	2,180	3.5%	(7,777)

### MARKET RENT GROWTH (YOY)

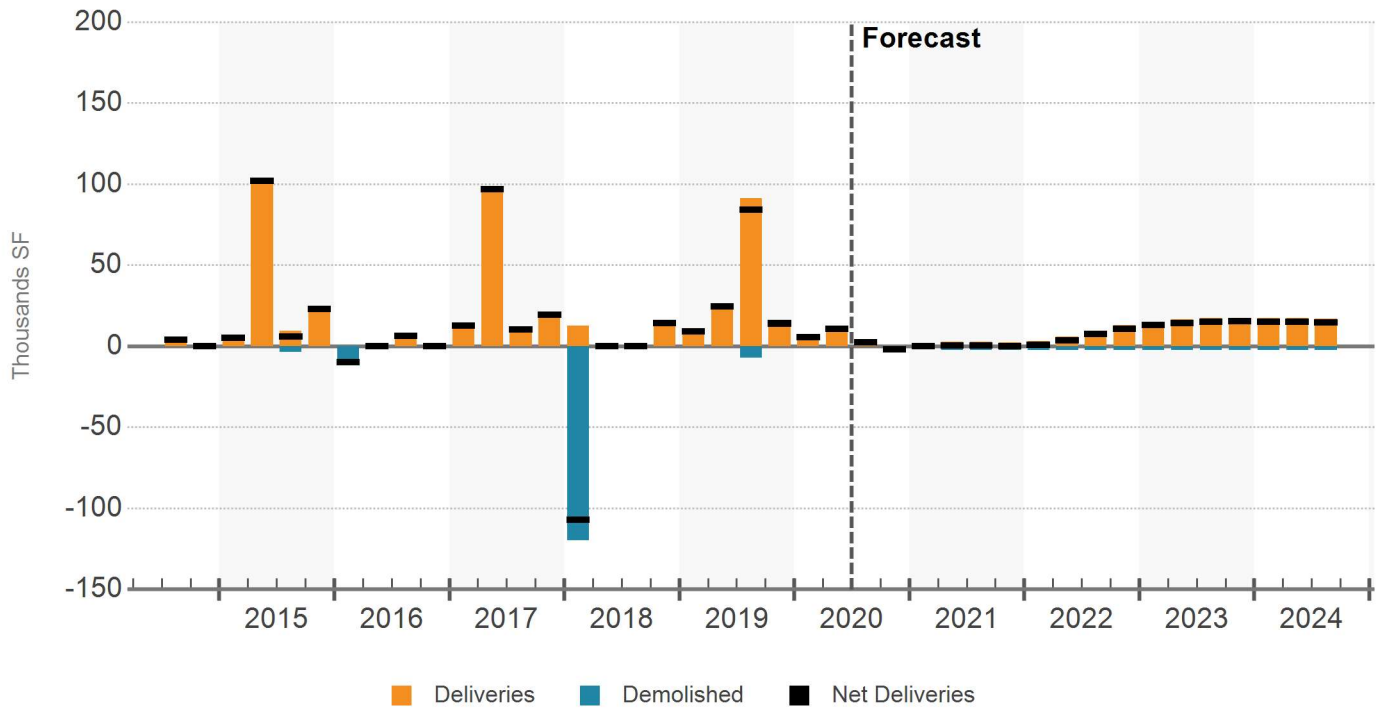


### MARKET RENT PER SQUARE FEET





### DELIVERIES & DEMOLITIONS



# Construction

## Northeast Madison Retail

All-Time Annual Avg. Square Feet

91,844

Delivered Square Feet Past 8 Qtrs

171,332

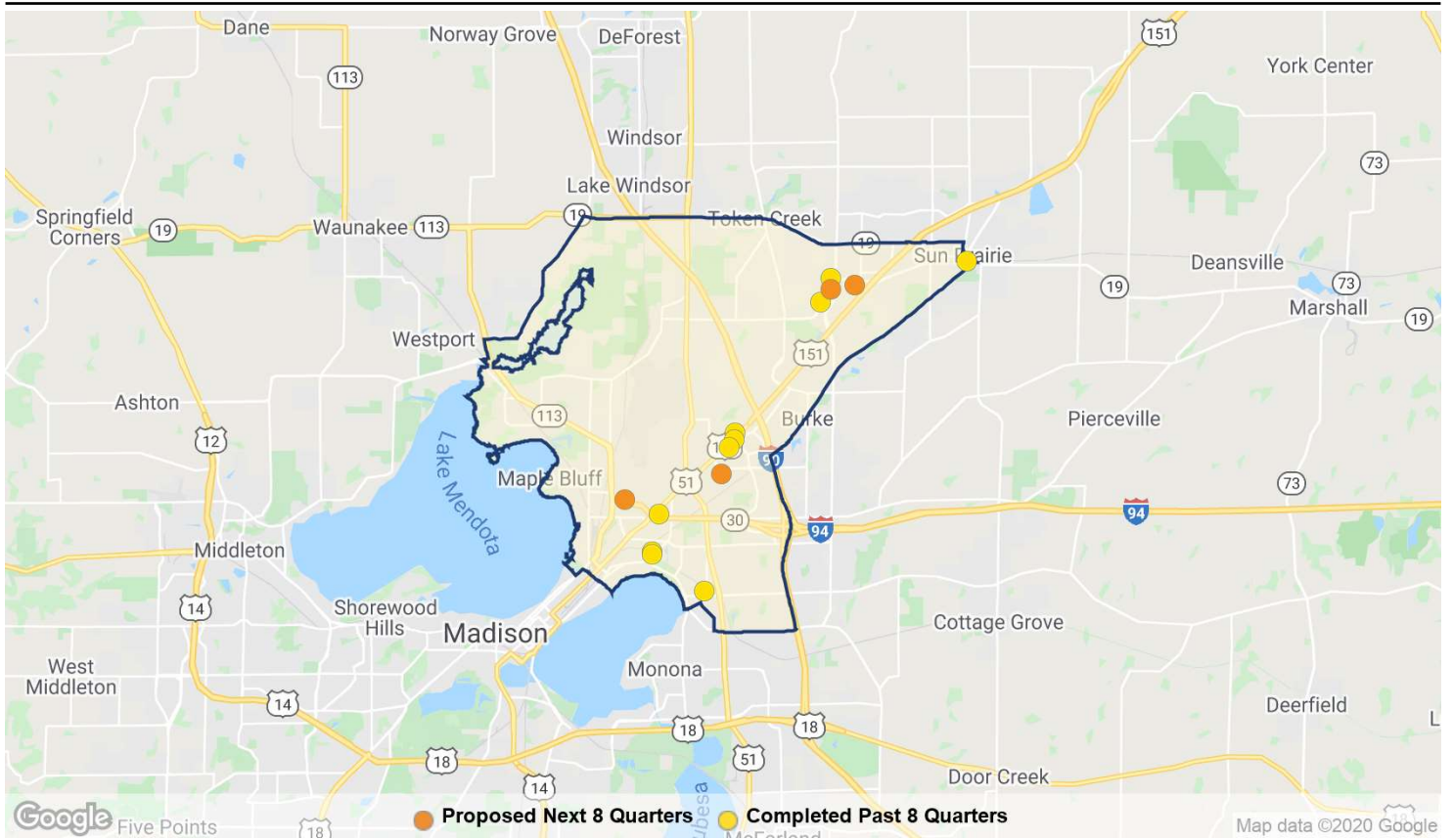
Delivered Square Feet Next 8 Qtrs

0

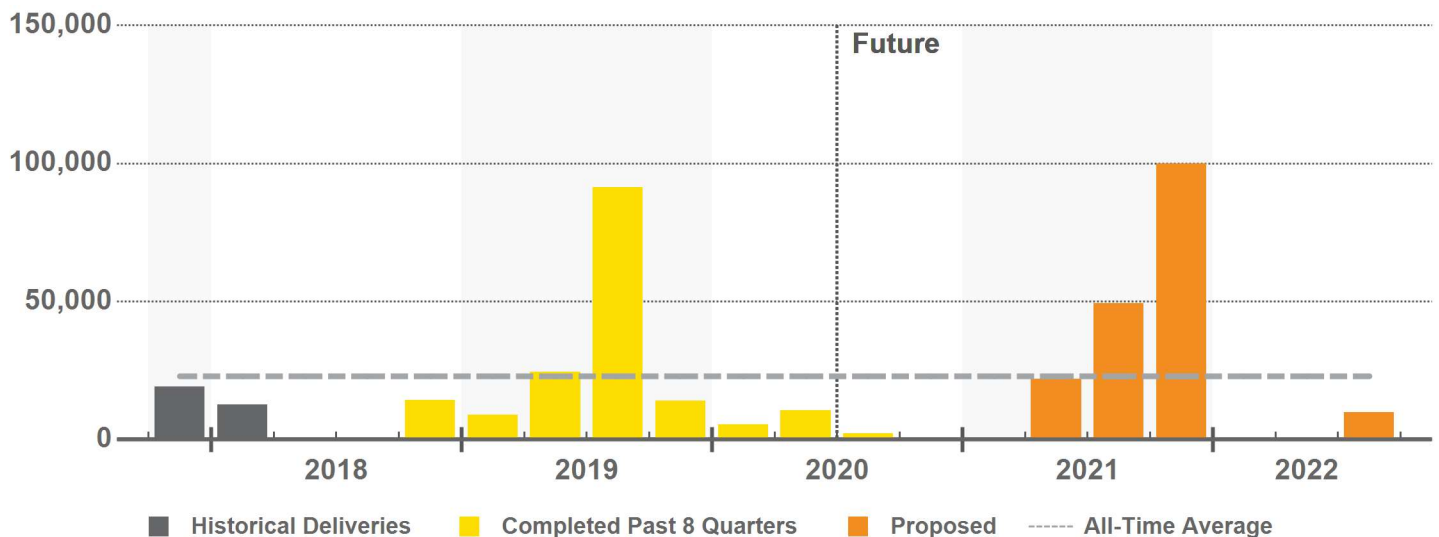
Proposed Square Feet Next 8 Qtrs

181,225

### PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



### PAST & FUTURE DELIVERIES IN SQUARE FEET



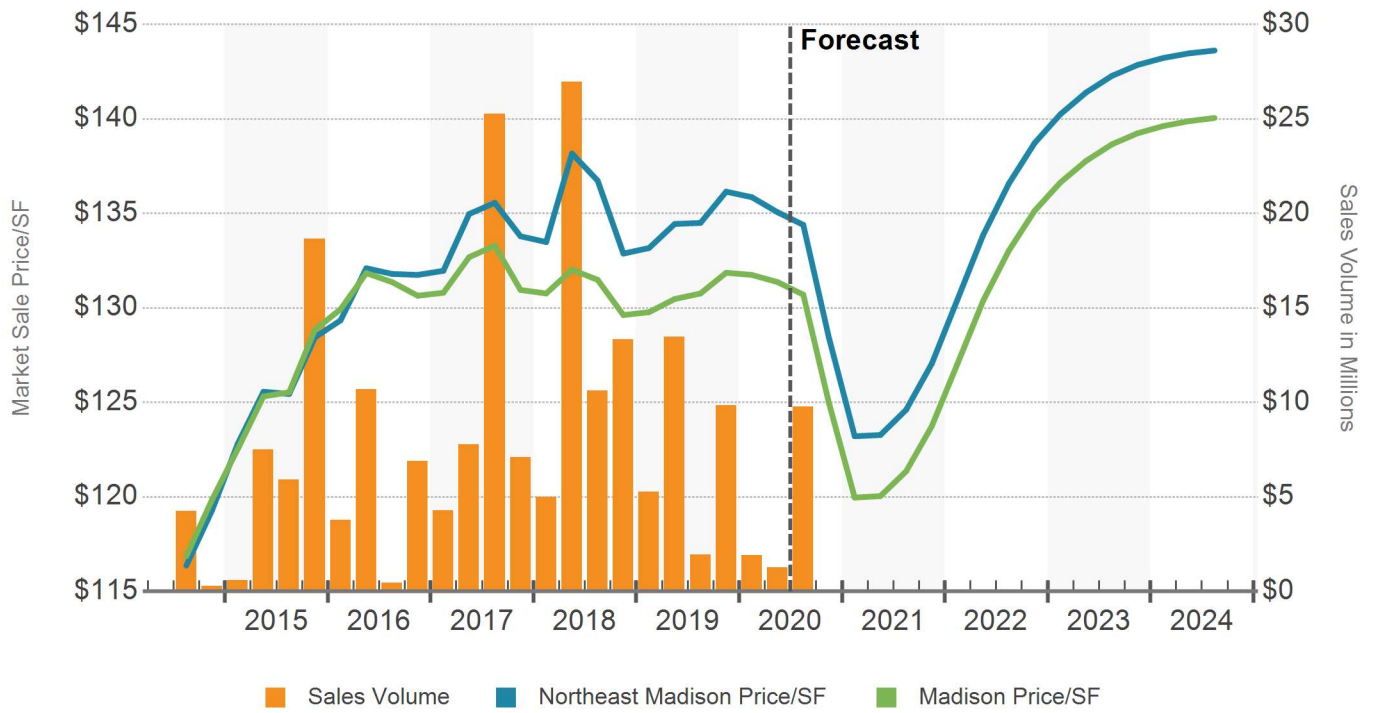
### RECENT DELIVERIES

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 134 S Fair Oaks Ave	★ ★ ★ ★ ★	2,200	1	Feb 2019	Sep 2020	Stone House Development, Inc. Stone House Development, Inc.
2 4702 E Towne Blvd	★ ★ ★ ★ ★	10,500	1	May 2019	May 2020	1848 Construction Inc -
3 4706 E Washington Ave	★ ★ ★ ★ ★	5,530	1	May 2019	Jan 2020	- Lee & Associates Commercial Re...
4 Twisted Fitness 711 Rethke Ave	★ ★ ★ ★ ★	14,000	1	May 2019	Oct 2019	Twisted Fitness Twisted Fitness
5 Grand on Main 120 N Grand Ave	★ ★ ★ ★ ★	80,000	2	Apr 2019	Jul 2019	- Kraemer Development, LLC.
6 171 Fair Oaks Ave	★ ★ ★ ★ ★	11,400	1	Mar 2018	Jul 2019	- Brian Thorson
7 527-551 Grand Oak Trl	★ ★ ★ ★ ★	16,380	1	Jun 2018	May 2019	- Equity Advisors, LLC
8 485 S Legacy Way	★ ★ ★ ★ ★	8,000	1	Jan 2019	Apr 2019	- Lee & Associates Commercial Re...
9 Portillo's Hot Dogs 4505 E Towne Blvd	★ ★ ★ ★ ★	9,000	1	Sep 2018	Jan 2019	CBL & Associates Properties, Inc. CBL & Associates Properties, Inc.
10 132 Market St	★ ★ ★ ★ ★	14,322	2	Nov 2017	Dec 2018	H&H Group Holdings, Inc Full Mile Beer Company and Kitc...

### PROPOSED

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 116-118 S Thompson Rd	★ ★ ★ ★ ★	100,000	-	Oct 2020	Dec 2021	- Colburn Hundley Inc.
2 4257-4263 Lien Rd	★ ★ ★ ★ ★	49,380	1	Sep 2020	Jul 2021	- -
3 2602 Shopko Dr	★ ★ ★ ★ ★	22,000	1	Feb 2021	Jun 2021	- -
4 Retail/Restaurant Space... 298 S Grand Ave	★ ★ ★ ★ ★	9,845	1	Apr 2021	Aug 2022	- Geo Developments LLC

### SALES VOLUME & MARKET SALE PRICE PER SF



# Sales Past 12 Months

## Northeast Madison Retail

Sale Comparables

**21**

Avg. Cap Rate

**7.8%**

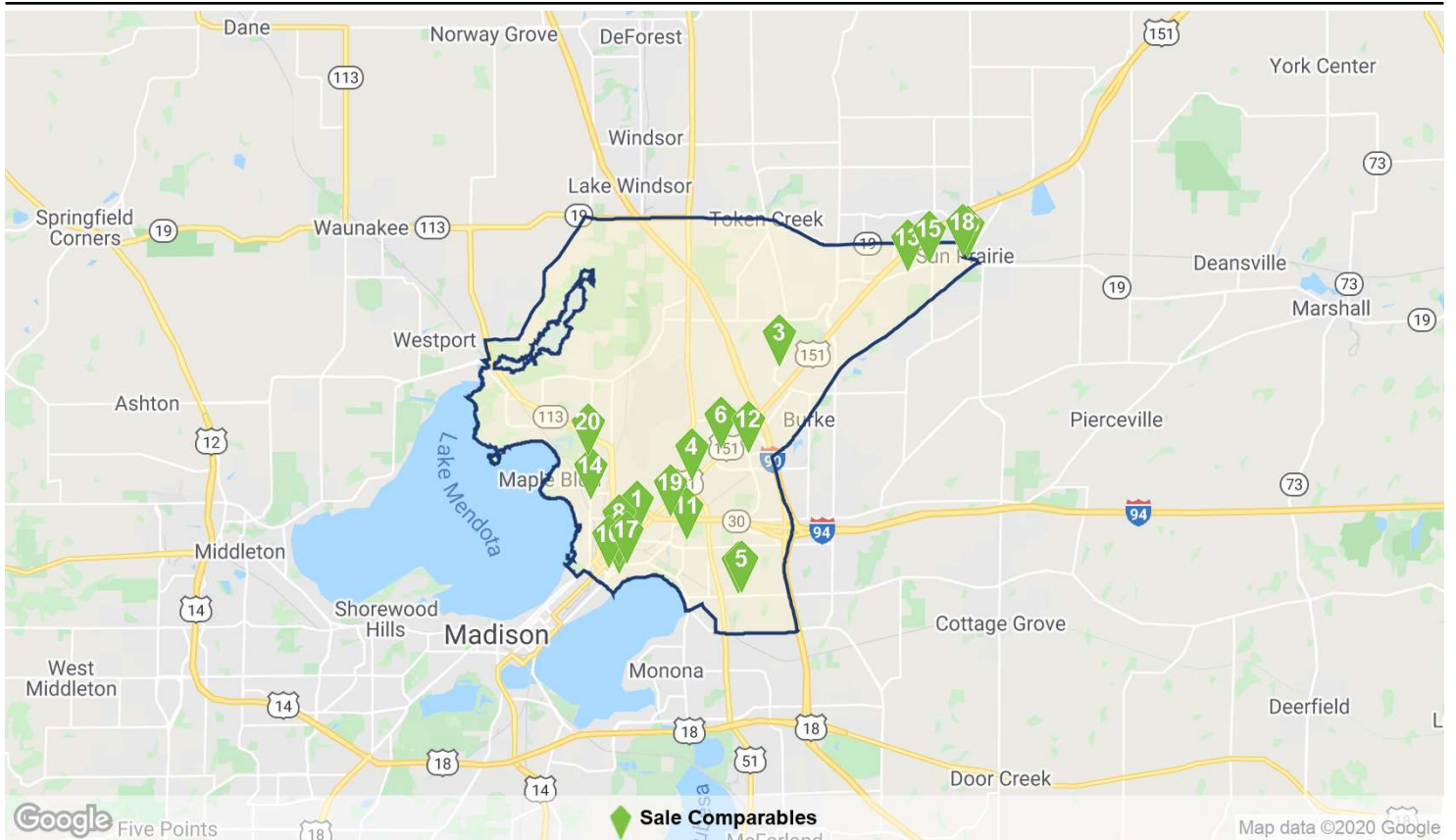
Avg. Price/SF

**\$187**

Avg. Vacancy At Sale

**2.5%**

### SALE COMPARABLE LOCATIONS



### SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$107,000	\$1,327,108	\$625,000	\$6,600,000
Price/SF	\$20	\$187	\$114	\$460
Cap Rate	6.3%	7.8%	7.8%	9.4%
Time Since Sale in Months	0.5	7.6	8.9	12.0
Property Attributes	Low	Average	Median	High
Building SF	354	6,591	5,279	22,230
Stories	1	1	1	2
Typical Floor SF	884	6,211	3,959	22,230
Vacancy Rate At Sale	0%	2.5%	0%	0%
Year Built	1883	1962	1969	2017
Star Rating	★★★★★	★★★★★ 2.1	★★★★★	★★★★★



# Sales Past 12 Months

## RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 2909 E Washington Ave	★★★★★	2000	15,070	0%	9/14/2020	\$6,600,000	\$438	6.3%
2 4522 Cottage Grove Rd	★★★★★	1988	14,784	0%	11/19/2019	\$3,425,000	\$232	-
3 Amcenter Drive KinderC... 5102 American Center Dr	★★★★★	2017	10,300	0%	10/9/2019	\$3,190,333	\$310	-
4 3737 E Washington Ave	★★★★★	1964	3,585	0%	12/13/2019	\$1,650,000	\$460	-
5 Former Sentry Foods 4602 Cottage Grove Rd	★★★★★	1971	22,230	0%	7/27/2020	\$1,600,000	\$72	-
6 4302 E Washington Ave	★★★★★	2007	3,300	0%	7/2/2020	\$1,217,500	\$369	9.4%
7 2038 Jenifer St	★★★★★	1949	5,277	0%	1/2/2020	\$925,000	\$175	-
8 2346-2350 E Washington...	★★★★★	1924	6,027	0%	6/4/2020	\$704,500	\$117	-
9 2110 Atwood Ave	★★★★★	1938	4,625	0%	12/19/2019	\$625,000	\$135	-
10 1964 Atwood Ave	★★★★★	1924	5,340	0%	10/8/2019	\$585,000	\$110	-
11 3630 Milwaukee St	★★★★★	1980	8,138	0%	4/13/2020	\$555,000	\$68	-
12 2001 Zeier Rd	★★★★★	1945	3,694	0%	1/3/2020	\$375,000	\$102	-
13 1323 W Main St	★★★★★	-	4,224	0%	7/9/2020	\$360,000	\$85	-
14 1111-1213 N Sherman Ave	★★★★★	1962	3,500	7.3%	2/28/2020	\$335,000	\$96	-
15 815 W Main St	★★★★★	-	5,200	0%	1/3/2020	\$285,000	\$55	-
16 233 E Main St	★★★★★	-	1,768	0%	12/11/2019	\$197,500	\$112	-
17 2302 Atwood Ave	★★★★★	1937	354	0%	10/1/2019	\$159,000	\$449	-
18 100-104 W Main St	★★★★★	1883	5,300	0%	9/30/2019	\$107,000	\$20	-
19 614 N Fair Oaks Ave	★★★★★	1969	2,046	0%	5/29/2020	-	-	-
20 2418 N Sherman Ave	★★★★★	1977	5,280	0%	12/19/2019	-	-	-

# Supply & Demand Trends

Northeast Madison Retail

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	8,368,666	59,024	0.7%	91,191	1.1%	0.6
2023	8,309,642	57,279	0.7%	84,078	1.0%	0.7
2022	8,252,363	22,468	0.3%	65,725	0.8%	0.3
2021	8,229,895	619	0%	21,966	0.3%	0
2020	8,229,276	16,225	0.2%	(48,738)	-0.6%	-
YTD	8,231,281	18,230	0.2%	(17,815)	-0.2%	-
2019	8,213,051	131,554	1.6%	19,550	0.2%	6.7
2018	8,081,497	(92,954)	-1.1%	26,379	0.3%	-
2017	8,174,451	138,940	1.7%	311,088	3.8%	0.4
2016	8,035,511	(3,880)	0%	75,087	0.9%	-
2015	8,039,391	135,716	1.7%	129,977	1.6%	1.0
2014	7,903,675	36,751	0.5%	(63,007)	-0.8%	-
2013	7,866,924	3,985	0.1%	(57,698)	-0.7%	-
2012	7,862,939	368,650	4.9%	400,426	5.1%	0.9
2011	7,494,289	10,700	0.1%	11,752	0.2%	0.9
2010	7,483,589	0	0%	(64,003)	-0.9%	-
2009	7,483,589	145,510	2.0%	137,012	1.8%	1.1
2008	7,338,079	172,397	2.4%	119,955	1.6%	1.4

## MALLS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	1,005,699	1,504	0.1%	18,691	1.9%	0.1
2023	1,004,195	1,456	0.1%	20,908	2.1%	0.1
2022	1,002,739	488	0%	21,455	2.1%	0
2021	1,002,251	(129)	0%	(11,350)	-1.1%	-
2020	1,002,380	(91)	0%	(45,575)	-4.5%	-
YTD	1,002,471	0	0%	(6,997)	-0.7%	-
2019	1,002,471	9,000	0.9%	5,540	0.6%	1.6
2018	993,471	0	0%	(45,407)	-4.6%	-
2017	993,471	0	0%	989	0.1%	0
2016	993,471	0	0%	12,685	1.3%	0
2015	993,471	0	0%	(3,400)	-0.3%	-
2014	993,471	8,280	0.8%	14,915	1.5%	0.6
2013	985,191	0	0%	3,061	0.3%	0
2012	985,191	0	0%	(7,498)	-0.8%	-
2011	985,191	0	0%	3,999	0.4%	0
2010	985,191	0	0%	(12,150)	-1.2%	-
2009	985,191	0	0%	29,139	3.0%	0
2008	985,191	0	0%	(27,010)	-2.7%	-

# Supply & Demand Trends

## POWER CENTER SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	1,055,414	0	0%	3,723	0.4%	0
2023	1,055,414	0	0%	4,289	0.4%	0
2022	1,055,414	0	0%	8,512	0.8%	0
2021	1,055,414	0	0%	3,703	0.4%	0
2020	1,055,414	0	0%	(3,766)	-0.4%	-
YTD	1,055,414	0	0%	-	-	-
2019	1,055,414	0	0%	(30,131)	-2.9%	-
2018	1,055,414	0	0%	6,644	0.6%	0
2017	1,055,414	11,000	1.1%	17,300	1.6%	0.6
2016	1,044,414	0	0%	41,244	3.9%	0
2015	1,044,414	0	0%	(22,324)	-2.1%	-
2014	1,044,414	0	0%	30,079	2.9%	0
2013	1,044,414	0	0%	(568)	-0.1%	-
2012	1,044,414	0	0%	18,811	1.8%	0
2011	1,044,414	0	0%	(5,048)	-0.5%	-
2010	1,044,414	0	0%	8,865	0.8%	0
2009	1,044,414	0	0%	(77,491)	-7.4%	-
2008	1,044,414	6,000	0.6%	28,390	2.7%	0.2

## NEIGHBORHOOD CENTER SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	1,112,929	3,096	0.3%	8,231	0.7%	0.4
2023	1,109,833	3,002	0.3%	8,435	0.8%	0.4
2022	1,106,831	1,121	0.1%	11,210	1.0%	0.1
2021	1,105,710	(50)	0%	5,937	0.5%	-
2020	1,105,760	(126)	0%	8,862	0.8%	-
YTD	1,105,886	0	0%	5,906	0.5%	0
2019	1,105,886	0	0%	(25,686)	-2.3%	-
2018	1,105,886	0	0%	20,488	1.9%	0
2017	1,105,886	0	0%	87,652	7.9%	0
2016	1,105,886	0	0%	(17,442)	-1.6%	-
2015	1,105,886	0	0%	3,373	0.3%	0
2014	1,105,886	0	0%	4,759	0.4%	0
2013	1,105,886	0	0%	5,366	0.5%	0
2012	1,105,886	0	0%	(13,587)	-1.2%	-
2011	1,105,886	0	0%	27,487	2.5%	0
2010	1,105,886	0	0%	(17,914)	-1.6%	-
2009	1,105,886	7,500	0.7%	(1,207)	-0.1%	-
2008	1,098,386	68,966	6.7%	61,617	5.6%	1.1

# Supply & Demand Trends

## STRIP CENTER SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	382,285	0	0%	2,816	0.7%	0
2023	382,285	0	0%	3,161	0.8%	0
2022	382,285	0	0%	4,774	1.2%	0
2021	382,285	0	0%	3,625	0.9%	0
2020	382,285	0	0%	(16,964)	-4.4%	-
YTD	382,285	0	0%	(17,423)	-4.6%	-
2019	382,285	0	0%	(3,767)	-1.0%	-
2018	382,285	0	0%	(2,317)	-0.6%	-
2017	382,285	9,700	2.6%	9,344	2.4%	1.0
2016	372,585	0	0%	25,256	6.8%	0
2015	372,585	0	0%	1,899	0.5%	0
2014	372,585	0	0%	(8,964)	-2.4%	-
2013	372,585	0	0%	5,324	1.4%	0
2012	372,585	0	0%	265	0.1%	0
2011	372,585	0	0%	(5,952)	-1.6%	-
2010	372,585	0	0%	(9,487)	-2.5%	-
2009	372,585	0	0%	14,687	3.9%	0
2008	372,585	0	0%	1,154	0.3%	0

## GENERAL RETAIL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	4,812,339	54,424	1.1%	57,730	1.2%	0.9
2023	4,757,915	52,821	1.1%	47,285	1.0%	1.1
2022	4,705,094	20,859	0.4%	19,774	0.4%	1.1
2021	4,684,235	798	0%	20,051	0.4%	0
2020	4,683,437	16,442	0.4%	8,705	0.2%	1.9
YTD	4,685,225	18,230	0.4%	699	0%	26.1
2019	4,666,995	122,554	2.7%	73,594	1.6%	1.7
2018	4,544,441	(92,954)	-2.0%	46,971	1.0%	-
2017	4,637,395	118,240	2.6%	195,803	4.2%	0.6
2016	4,519,155	(3,880)	-0.1%	13,344	0.3%	-
2015	4,523,035	135,716	3.1%	150,429	3.3%	0.9
2014	4,387,319	28,471	0.7%	(103,796)	-2.4%	-
2013	4,358,848	3,985	0.1%	(70,881)	-1.6%	-
2012	4,354,863	368,650	9.2%	402,435	9.2%	0.9
2011	3,986,213	10,700	0.3%	(8,734)	-0.2%	-
2010	3,975,513	0	0%	(33,317)	-0.8%	-
2009	3,975,513	138,010	3.6%	171,884	4.3%	0.8
2008	3,837,503	97,431	2.6%	55,804	1.5%	1.7

### OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$14.90	105	0.3%	3.0%	367,365	4.4%	-0.4%
2023	\$14.86	104	1.5%	2.7%	400,528	4.8%	-0.4%
2022	\$14.64	103	3.8%	1.2%	428,318	5.2%	-0.5%
2021	\$14.11	99	-0.2%	-2.5%	472,325	5.7%	-0.3%
2020	\$14.14	99	-2.3%	-2.3%	493,302	6.0%	0.8%
YTD	\$14.46	102	-0.1%	-0.1%	464,341	5.6%	0.4%
2019	\$14.47	102	1.5%	0%	428,296	5.2%	1.3%
2018	\$14.26	100	-0.3%	-1.5%	315,292	3.9%	0.3%
2017	\$14.31	100	1.4%	-1.1%	295,870	3.6%	-2.2%
2016	\$14.11	99	0.9%	-2.5%	468,018	5.8%	-1.0%
2015	\$13.99	98	3.0%	-3.3%	546,985	6.8%	0%
2014	\$13.59	95	1.5%	-6.1%	541,246	6.8%	1.2%
2013	\$13.39	94	1.0%	-7.5%	441,488	5.6%	0.8%
2012	\$13.25	93	-0.4%	-8.4%	379,805	4.8%	-0.7%
2011	\$13.31	93	-0.3%	-8.0%	411,581	5.5%	0%
2010	\$13.35	94	-2.8%	-7.7%	412,633	5.5%	0.9%
2009	\$13.74	96	-3.5%	-5.0%	348,630	4.7%	0%
2008	\$14.25	100	-1.2%	-1.6%	340,132	4.6%	0.6%

### MALLS RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$16.94	84	-0.4%	-18.2%	190,682	19.0%	-1.7%
2023	\$17.01	85	0.8%	-17.9%	207,906	20.7%	-2.0%
2022	\$16.88	84	2.9%	-18.5%	227,388	22.7%	-2.1%
2021	\$16.40	82	-1.1%	-20.8%	248,379	24.8%	1.1%
2020	\$16.58	83	-3.0%	-19.9%	237,157	23.7%	4.5%
YTD	\$17.02	85	-0.5%	-17.8%	198,669	19.8%	0.7%
2019	\$17.10	85	3.2%	-17.4%	191,672	19.1%	0.2%
2018	\$16.57	83	-6.1%	-20.0%	188,212	18.9%	18.5%
2017	\$17.64	88	-2.1%	-14.8%	4,050	0.4%	-0.1%
2016	\$18.02	90	-1.4%	-13.0%	5,039	0.5%	-1.3%
2015	\$18.27	91	4.2%	-11.8%	17,724	1.8%	0.3%
2014	\$17.54	87	1.6%	-15.3%	14,324	1.4%	-0.7%
2013	\$17.27	86	0%	-16.6%	20,959	2.1%	-0.3%
2012	\$17.27	86	-1.1%	-16.6%	24,020	2.4%	0.8%
2011	\$17.46	87	0.2%	-15.7%	16,522	1.7%	-0.4%
2010	\$17.43	87	-5.1%	-15.8%	20,521	2.1%	1.2%
2009	\$18.36	92	-8.5%	-11.3%	8,371	0.8%	-3.0%
2008	\$20.06	100	-3.1%	-3.1%	37,510	3.8%	2.7%



### POWER CENTER RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$16.96	111	0.4%	3.5%	20,076	1.9%	-0.4%
2023	\$16.89	111	1.6%	3.1%	23,799	2.3%	-0.4%
2022	\$16.62	109	3.9%	1.4%	28,088	2.7%	-0.8%
2021	\$16.00	105	-0.1%	-2.4%	36,600	3.5%	-0.4%
2020	\$16.02	105	-2.3%	-2.3%	40,303	3.8%	0.4%
YTD	\$16.35	107	-0.3%	-0.3%	36,537	3.5%	0%
2019	\$16.39	107	2.0%	0%	36,537	3.5%	2.9%
2018	\$16.07	105	1.2%	-2.0%	6,406	0.6%	-0.6%
2017	\$15.88	104	1.5%	-3.1%	13,050	1.2%	-0.6%
2016	\$15.64	102	0.9%	-4.6%	19,350	1.9%	-3.9%
2015	\$15.51	102	3.4%	-5.4%	60,594	5.8%	2.1%
2014	\$15.01	98	1.9%	-8.5%	38,270	3.7%	-2.9%
2013	\$14.73	96	2.7%	-10.1%	68,349	6.5%	0.1%
2012	\$14.35	94	-0.1%	-12.5%	67,781	6.5%	-1.8%
2011	\$14.36	94	0.1%	-12.4%	86,592	8.3%	0.5%
2010	\$14.35	94	-3.4%	-12.4%	81,544	7.8%	-0.8%
2009	\$14.85	97	-2.7%	-9.4%	90,409	8.7%	7.4%
2008	\$15.27	100	-1.9%	-6.9%	12,918	1.2%	-2.2%

### NEIGHBORHOOD CENTER RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$12.96	109	0.2%	3.0%	65,829	5.9%	-0.5%
2023	\$12.93	109	1.4%	2.8%	71,032	6.4%	-0.5%
2022	\$12.74	107	3.7%	1.4%	76,530	6.9%	-0.9%
2021	\$12.29	104	-0.3%	-2.3%	86,649	7.8%	-0.5%
2020	\$12.33	104	-1.9%	-1.9%	92,630	8.4%	-0.8%
YTD	\$12.61	106	0.3%	0.3%	95,709	8.7%	-0.5%
2019	\$12.57	106	0.9%	0%	101,615	9.2%	2.3%
2018	\$12.46	105	0.7%	-0.9%	75,929	6.9%	-1.9%
2017	\$12.37	104	2.7%	-1.6%	96,417	8.7%	-7.9%
2016	\$12.05	102	2.8%	-4.2%	184,069	16.6%	1.6%
2015	\$11.72	99	2.3%	-6.8%	166,627	15.1%	-0.3%
2014	\$11.45	97	2.0%	-8.9%	170,000	15.4%	-0.4%
2013	\$11.23	95	0.4%	-10.7%	174,759	15.8%	-0.5%
2012	\$11.19	94	-0.5%	-11.0%	180,125	16.3%	1.2%
2011	\$11.24	95	-1.0%	-10.6%	166,538	15.1%	-2.5%
2010	\$11.35	96	-2.0%	-9.7%	194,025	17.5%	1.6%
2009	\$11.59	98	-2.3%	-7.9%	176,111	15.9%	0.7%
2008	\$11.86	100	-0.2%	-5.7%	167,404	15.2%	-0.3%

### STRIP CENTER RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$14.82	106	0.2%	3.2%	21,154	5.5%	-0.7%
2023	\$14.78	105	1.5%	3.0%	23,970	6.3%	-0.8%
2022	\$14.57	104	3.7%	1.5%	27,131	7.1%	-1.2%
2021	\$14.06	100	-0.4%	-2.1%	31,905	8.3%	-0.9%
2020	\$14.11	101	-1.7%	-1.7%	35,530	9.3%	4.4%
YTD	\$14.43	103	0.6%	0.6%	35,989	9.4%	4.6%
2019	\$14.35	102	1.3%	0%	18,566	4.9%	1.0%
2018	\$14.16	101	0.5%	-1.3%	14,799	3.9%	0.6%
2017	\$14.09	100	1.2%	-1.8%	12,482	3.3%	0%
2016	\$13.92	99	1.0%	-3.0%	12,126	3.3%	-6.8%
2015	\$13.78	98	2.1%	-4.0%	37,382	10.0%	-0.5%
2014	\$13.49	96	1.1%	-6.0%	39,281	10.5%	2.4%
2013	\$13.34	95	0.9%	-7.1%	30,317	8.1%	-1.4%
2012	\$13.22	94	-0.2%	-7.9%	35,641	9.6%	-0.1%
2011	\$13.25	94	-1.8%	-7.7%	35,906	9.6%	1.6%
2010	\$13.49	96	-2.0%	-6.0%	29,954	8.0%	2.5%
2009	\$13.76	98	-2.0%	-4.1%	20,467	5.5%	-3.9%
2008	\$14.03	100	-0.9%	-2.2%	35,154	9.4%	-0.3%

### GENERAL RETAIL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$14.47	108	0.4%	3.9%	69,624	1.4%	-0.1%
2023	\$14.41	108	1.7%	3.4%	73,821	1.6%	0.1%
2022	\$14.17	106	4.0%	1.7%	69,181	1.5%	0%
2021	\$13.63	102	0%	-2.2%	68,792	1.5%	-0.4%
2020	\$13.63	102	-2.2%	-2.2%	87,682	1.9%	0.2%
YTD	\$13.93	104	0%	0%	97,437	2.1%	0.4%
2019	\$13.93	104	1.0%	0%	79,906	1.7%	1.1%
2018	\$13.79	103	0.6%	-1.0%	29,946	0.7%	-3.0%
2017	\$13.72	103	2.1%	-1.5%	169,871	3.7%	-1.8%
2016	\$13.44	101	1.1%	-3.6%	247,434	5.5%	-0.4%
2015	\$13.29	100	2.7%	-4.6%	264,658	5.9%	-0.5%
2014	\$12.94	97	1.4%	-7.1%	279,371	6.4%	3.0%
2013	\$12.76	96	1.0%	-8.4%	147,104	3.4%	1.7%
2012	\$12.64	95	-0.4%	-9.3%	72,238	1.7%	-1.0%
2011	\$12.68	95	-0.3%	-9.0%	106,023	2.7%	0.5%
2010	\$12.72	95	-2.2%	-8.7%	86,589	2.2%	0.8%
2009	\$13.01	97	-2.6%	-6.6%	53,272	1.3%	-0.9%
2008	\$13.35	100	-0.6%	-4.2%	87,146	2.3%	1.1%

# Sale Trends

## Northeast Madison Retail

### OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2024	-	-	-	-	-	-	\$143.73	136	7.3%
2023	-	-	-	-	-	-	\$142.85	135	7.3%
2022	-	-	-	-	-	-	\$138.72	132	7.3%
2021	-	-	-	-	-	-	\$127.05	121	7.7%
2020	-	-	-	-	-	-	\$128.41	122	7.8%
YTD	11	\$13M	1.0%	\$1,402,444	\$169.02	7.8%	\$135.04	128	7.6%
2019	34	\$30.5M	6.5%	\$1,326,958	\$164.60	7.8%	\$136.15	129	7.6%
2018	28	\$55.9M	5.5%	\$2,329,140	\$127.40	8.1%	\$132.87	126	7.5%
2017	23	\$44.4M	4.5%	\$2,466,447	\$128.49	6.7%	\$133.79	127	7.4%
2016	20	\$21.8M	1.8%	\$1,211,924	\$154.47	5.8%	\$131.74	125	7.3%
2015	17	\$32.7M	2.7%	\$2,029,198	\$150.44	7.5%	\$128.44	122	7.4%
2014	22	\$24.6M	5.8%	\$1,295,368	\$64.64	6.9%	\$119.29	113	7.7%
2013	20	\$12.2M	1.2%	\$811,420	\$156.12	8.8%	\$110.12	104	7.9%
2012	20	\$28.9M	2.6%	\$1,444,396	\$142.77	-	\$105.54	100	8.1%
2011	11	\$2.1M	1.4%	\$228,667	\$87.87	7.0%	\$97.93	93	8.4%
2010	8	\$18.9M	1.9%	\$2,361,912	\$131.39	-	\$92.49	88	8.7%
2009	13	\$14.4M	4.2%	\$1,310,922	\$63.16	10.0%	\$91.44	87	8.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

### MALLS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2024	-	-	-	-	-	-	\$139.52	128	7.2%
2023	-	-	-	-	-	-	\$139.66	128	7.2%
2022	-	-	-	-	-	-	\$136.71	126	7.2%
2021	-	-	-	-	-	-	\$126.34	116	7.6%
2020	-	-	-	-	-	-	\$128.93	118	7.8%
YTD	-	-	-	-	-	-	\$136.13	125	7.5%
2019	1	\$3.6M	0.8%	\$3,611,200	\$436.14	8.1%	\$136.93	126	7.5%
2018	-	-	-	-	-	-	\$133.79	123	7.5%
2017	1	\$7.1M	0.7%	\$7,105,500	\$958.13	6.1%	\$135.89	125	7.3%
2016	2	\$4.1M	1.2%	\$2,037,500	\$356.58	5.5%	\$135.15	124	7.2%
2015	1	\$5.4M	0.7%	\$5,354,805	\$722.06	-	\$132.73	122	7.2%
2014	-	-	-	-	-	-	\$123.45	113	7.4%
2013	-	-	-	-	-	-	\$115.13	106	7.6%
2012	-	-	-	-	-	-	\$109.86	101	7.8%
2011	-	-	-	-	-	-	\$102.41	94	8.1%
2010	-	-	-	-	-	-	\$96.31	88	8.4%
2009	-	-	-	-	-	-	\$94.46	87	8.5%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

# Sale Trends

## POWER CENTER SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2024	-	-	-	-	-	-	\$130.74	127	7.3%
2023	-	-	-	-	-	-	\$129.77	126	7.3%
2022	-	-	-	-	-	-	\$125.86	122	7.3%
2021	-	-	-	-	-	-	\$115.17	112	7.6%
2020	-	-	-	-	-	-	\$116.33	113	7.8%
YTD	-	-	-	-	-	-	\$122.11	118	7.6%
2019	6	\$7M	30.2%	\$3,482,500	\$100.92	8.3%	\$121.74	118	7.6%
2018	2	\$14.3M	16.8%	\$7,135,000	\$80.55	-	\$119.53	116	7.5%
2017	-	-	-	-	-	-	\$119.80	116	7.4%
2016	1	\$5M	2.5%	\$4,975,000	\$187.91	6.0%	\$118.45	115	7.3%
2015	1	\$10M	9.0%	\$10,000,000	\$106.26	7.0%	\$115.81	112	7.3%
2014	-	-	-	-	-	-	\$106.66	103	7.6%
2013	-	-	-	-	-	-	\$100.63	98	7.8%
2012	-	-	-	-	-	-	\$97.53	95	7.9%
2011	-	-	-	-	-	-	\$90.32	88	8.2%
2010	-	-	-	-	-	-	\$86.64	84	8.5%
2009	-	-	-	-	-	-	\$88.65	86	8.4%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## NEIGHBORHOOD CENTER SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2024	-	-	-	-	-	-	\$120.87	137	7.3%
2023	-	-	-	-	-	-	\$120.15	136	7.3%
2022	-	-	-	-	-	-	\$116.74	132	7.4%
2021	-	-	-	-	-	-	\$107.07	121	7.7%
2020	-	-	-	-	-	-	\$108.37	123	7.9%
YTD	1	\$335K	0.3%	-	\$95.71	-	\$113.88	129	7.6%
2019	-	-	-	-	-	-	\$115.02	130	7.6%
2018	3	\$19.8M	9.8%	\$6,614,755	\$183.77	7.7%	\$111.71	127	7.6%
2017	1	\$750K	0.2%	\$750,000	\$375.00	-	\$110.00	125	7.6%
2016	-	-	-	-	-	-	\$109.31	124	7.5%
2015	-	-	-	-	-	-	\$104.94	119	7.6%
2014	4	\$11.2M	17.8%	\$2,800,000	\$57.02	-	\$96.54	109	7.9%
2013	-	-	-	-	-	-	\$89.34	101	8.1%
2012	-	-	-	-	-	-	\$85.31	97	8.3%
2011	1	\$0.00	3.6%	-	-	-	\$77.82	88	8.7%
2010	-	-	-	-	-	-	\$74.06	84	9.0%
2009	4	\$4.7M	17.3%	\$1,571,867	\$43.49	-	\$75.31	85	8.9%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

# Sale Trends

## Northeast Madison Retail

### STRIP CENTER SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2024	-	-	-	-	-	-	\$157.67	140	7.5%
2023	-	-	-	-	-	-	\$156.97	139	7.5%
2022	-	-	-	-	-	-	\$152.76	135	7.6%
2021	-	-	-	-	-	-	\$140.50	124	7.9%
2020	-	-	-	-	-	-	\$142.55	126	8.1%
YTD	-	-	-	-	-	-	\$149.87	133	7.8%
2019	-	-	-	-	-	-	\$155.32	138	7.7%
2018	1	\$1.4M	2.7%	\$1,440,000	\$137.54	8.6%	\$149.12	132	7.7%
2017	-	-	-	-	-	-	\$154.68	137	7.4%
2016	3	\$4.1M	6.8%	\$1,358,333	\$160.82	-	\$149.68	133	7.4%
2015	4	\$9.7M	16.2%	\$2,420,750	\$160.80	8.6%	\$145.66	129	7.5%
2014	-	-	-	-	-	-	\$133.96	119	7.8%
2013	1	\$41.8K	0%	\$41,800	\$373.21	-	\$124.57	110	8.1%
2012	3	\$2.3M	10.7%	\$757,733	\$56.93	-	\$116.07	103	8.4%
2011	-	-	-	-	-	-	\$108.80	96	8.7%
2010	-	-	-	-	-	-	\$101.00	90	9.1%
2009	1	\$1.5M	2.7%	\$1,450,000	\$145.00	10.0%	\$98.68	87	9.2%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

### GENERAL RETAIL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2024	-	-	-	-	-	-	\$151.80	140	7.3%
2023	-	-	-	-	-	-	\$150.67	139	7.3%
2022	-	-	-	-	-	-	\$146.08	134	7.3%
2021	-	-	-	-	-	-	\$133.49	123	7.7%
2020	-	-	-	-	-	-	\$134.58	124	7.8%
YTD	10	\$12.6M	1.6%	\$1,402,444	\$172.53	7.8%	\$141.50	130	7.6%
2019	27	\$19.9M	4.5%	\$997,192	\$184.44	7.5%	\$142.64	131	7.5%
2018	22	\$20.3M	3.3%	\$1,130,283	\$142.11	8.4%	\$139.34	128	7.5%
2017	21	\$36.5M	7.7%	\$2,283,784	\$108.72	6.9%	\$140.38	129	7.4%
2016	14	\$8.7M	1.8%	\$724,136	\$111.44	-	\$137.83	127	7.3%
2015	11	\$7.6M	1.2%	\$742,937	\$137.69	7.2%	\$134.50	124	7.4%
2014	18	\$13.4M	5.9%	\$894,133	\$72.75	6.9%	\$125.41	115	7.7%
2013	19	\$12.1M	2.2%	\$866,393	\$155.81	8.8%	\$114.90	106	7.9%
2012	17	\$26.6M	3.7%	\$1,565,572	\$163.87	-	\$110.33	102	8.1%
2011	10	\$2.1M	1.6%	\$228,667	\$87.87	7.0%	\$102.54	94	8.4%
2010	8	\$18.9M	3.6%	\$2,361,912	\$131.39	-	\$96.64	89	8.7%
2009	8	\$8.3M	2.8%	\$1,179,220	\$75.13	-	\$94.64	87	8.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.





## Retail Submarket Report

# Southeast Madison

Madison - WI

PREPARED BY

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Dan Rolfs  
Community Development Project Manager



**RETAIL SUBMARKET REPORT**

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# Overview

## Southeast Madison Retail

12 Mo Deliveries in SF

**609**

12 Mo Net Absorption in SF

**(16.9 K)**

Vacancy Rate

**5.5%**

12 Mo Rent Growth

**0.2%**

Retail vacancies in Southeast Madison were above the five-year average during the third quarter, and they increased modestly in the past 12 months. The rate also sits above the overall market's average. Meanwhile, retail rents have hardly budged over the past year. That is the weakest performance observed over the past five years.

As for the pipeline, development has been relatively steady over the past few years in Southeast Madison, and that trend has continued in the third quarter.

Retail investors are reasonably active in Southeast Madison, and that remained the case in the past year. At the same time, market pricing of \$124/SF falls below the region's average.

However, the pandemic has led to heightened uncertainty in commercial real estate, and retailers, in particular, may be the most susceptible to continued turbulence in the coming months. Its effects are likely to linger for the foreseeable future, impacting demand, rent growth, and the capital markets in the process.

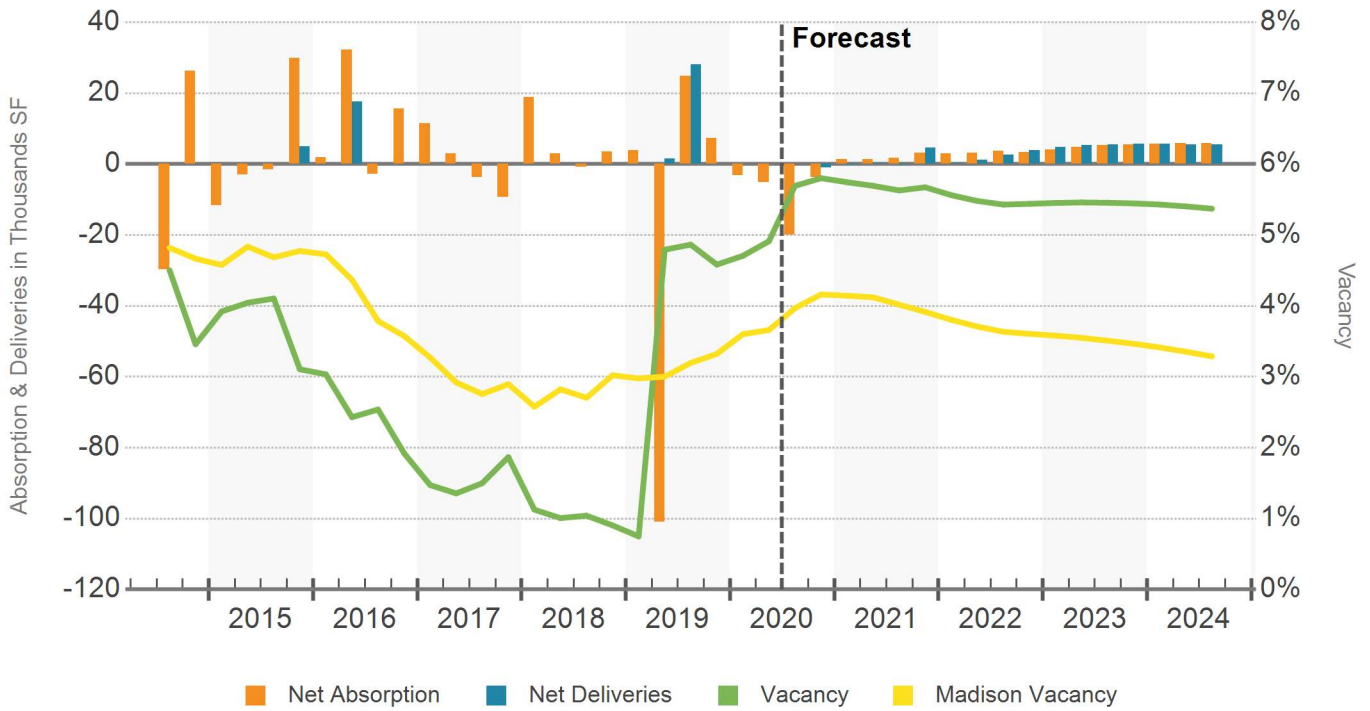
### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	0	-	-	-	0	0	0
Power Center	0	-	-	-	0	0	0
Neighborhood Center	599,610	0.3%	\$14.64	3.5%	0	0	0
Strip Center	169,020	10.6%	\$12.50	11.3%	(3,186)	0	0
General Retail	1,796,271	6.8%	\$14.20	7.2%	(12,995)	0	4,718
Other	0	-	-	-	0	0	0
<b>Submarket</b>	<b>2,564,901</b>	<b>5.5%</b>	<b>\$14.19</b>	<b>6.6%</b>	<b>(16,181)</b>	<b>0</b>	<b>4,718</b>

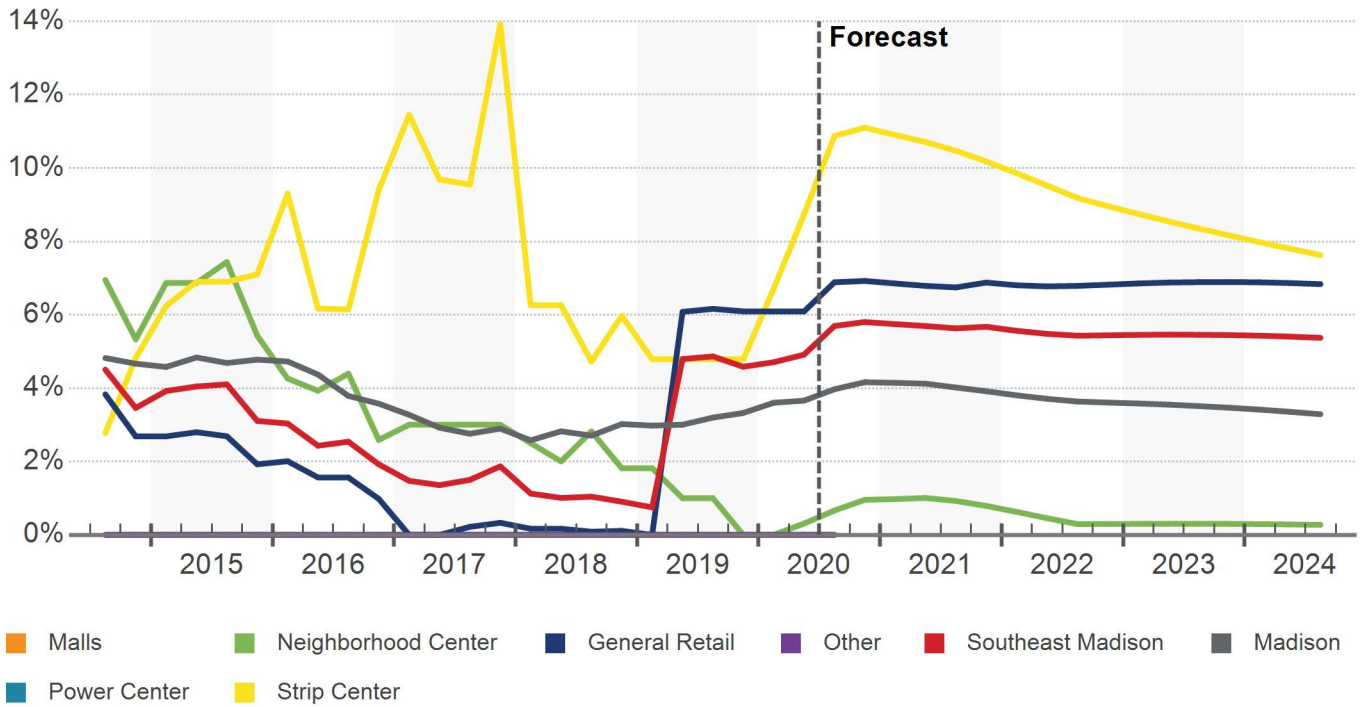
  

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.7%	3.2%	5.5%	5.5%	2020 Q3	0.7%	2019 Q1
Net Absorption SF	(16.9 K)	16,980	7,830	223,604	2007 Q3	(94,480)	2019 Q2
Deliveries SF	609	23,609	15,030	241,943	2007 Q4	0	2019 Q1
Rent Growth	0.2%	0.3%	0.7%	2.8%	2015 Q4	-3.0%	2007 Q3
Sales Volume	\$6.9 M	\$5.4M	N/A	\$12.5M	2016 Q2	\$725K	2020 Q2

### NET ABSORPTION, NET DELIVERIES & VACANCY

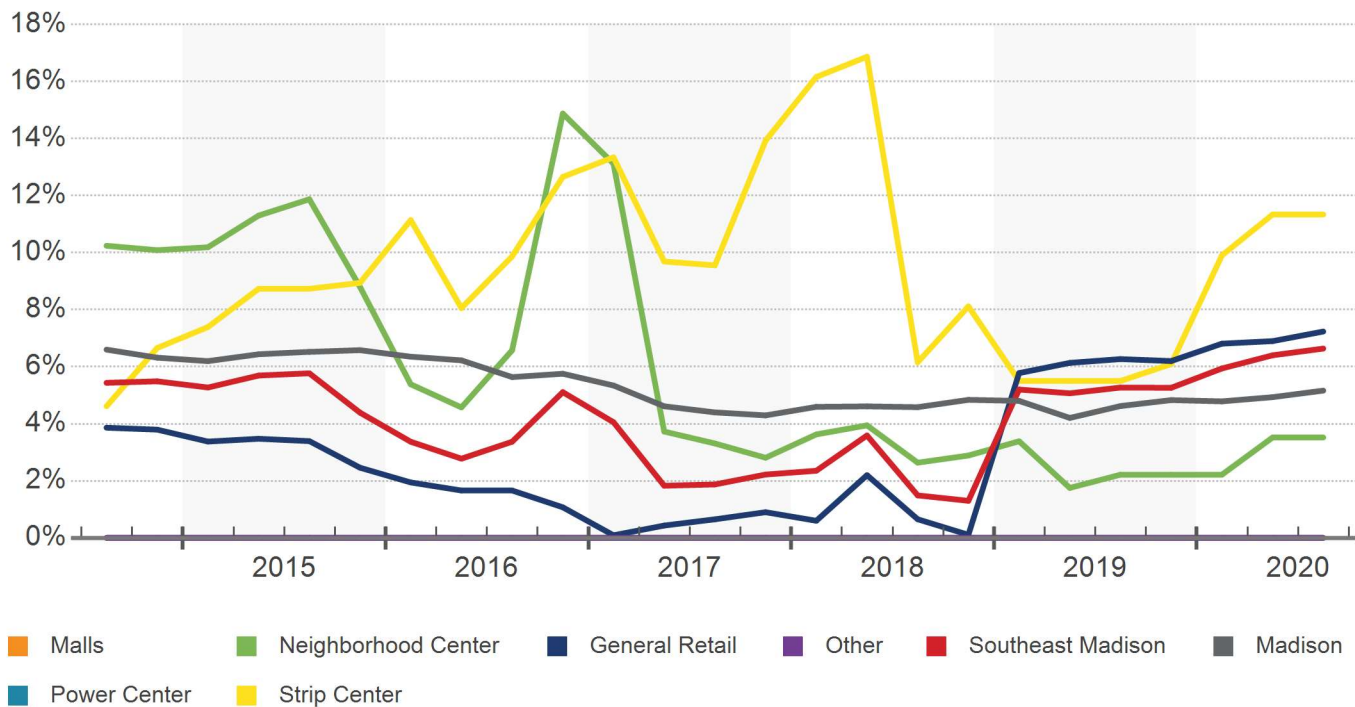


### VACANCY RATE





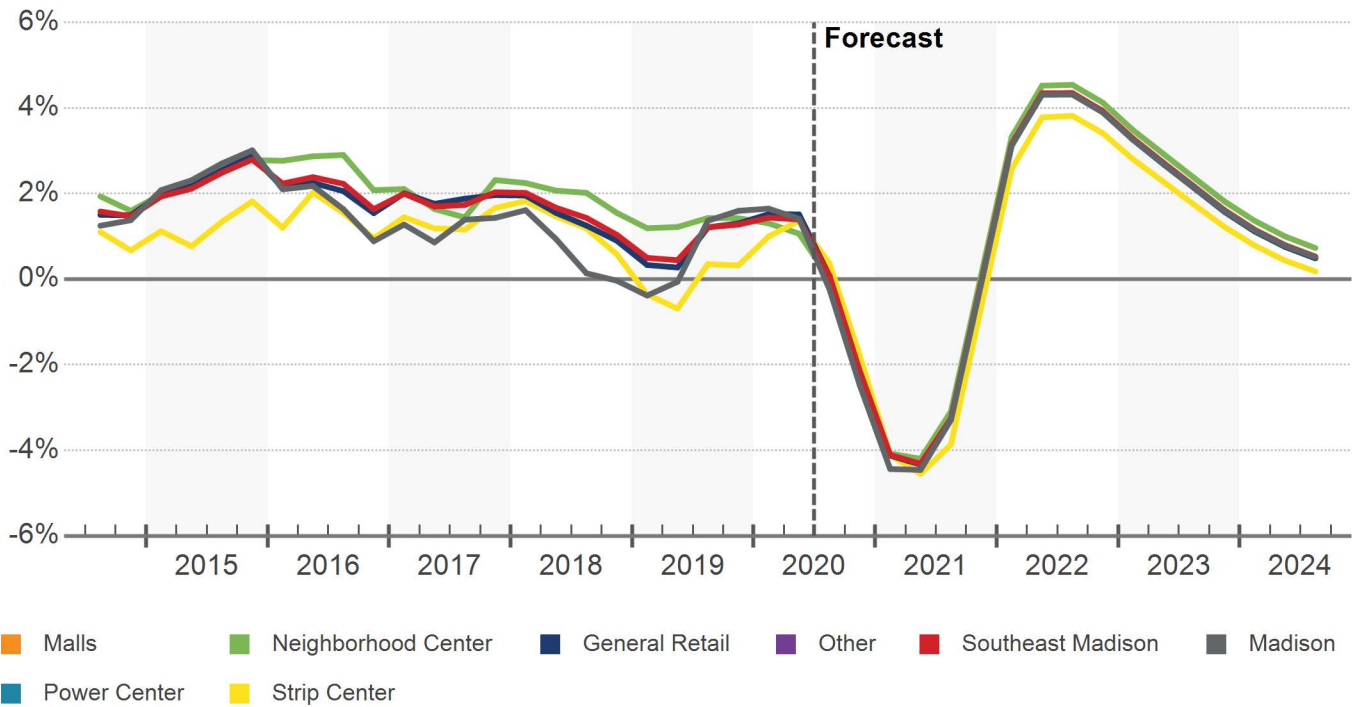
### AVAILABILITY RATE



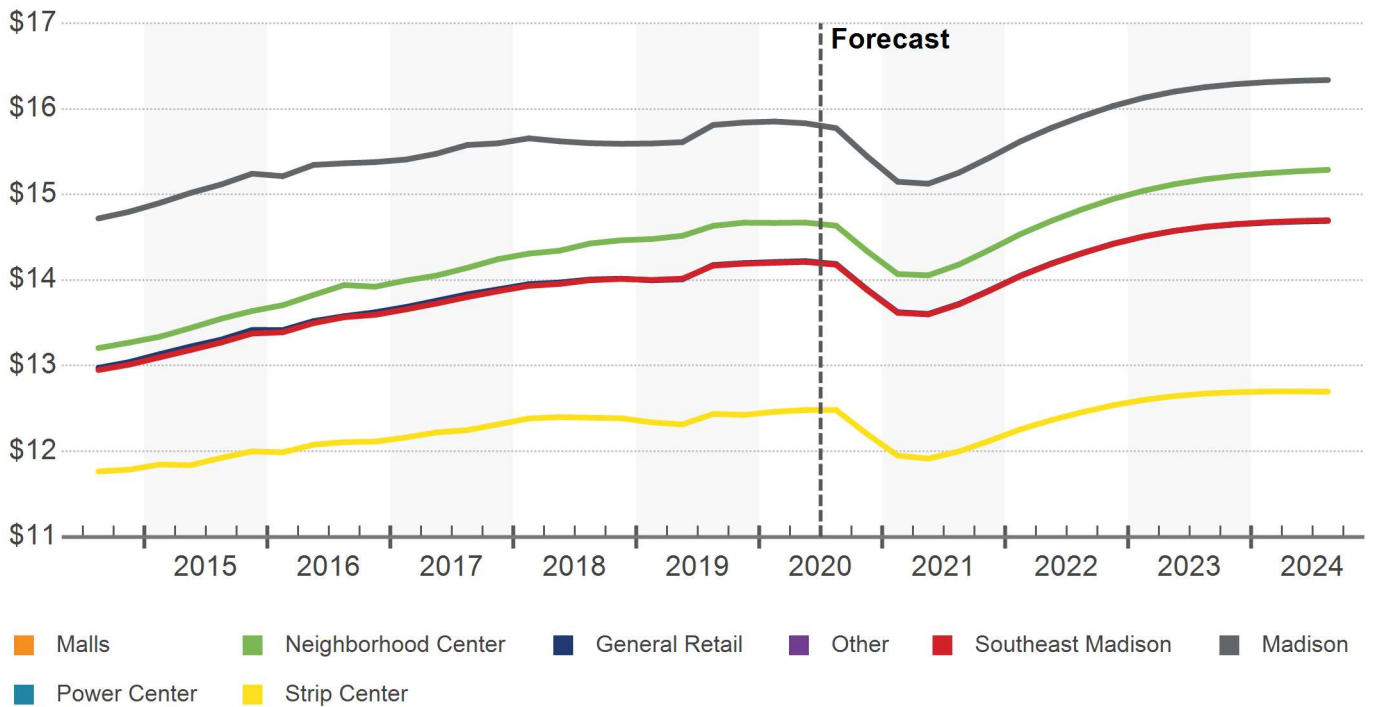
### 3 STAR MOST ACTIVE BUILDINGS IN SUBMARKET - PAST 12 MONTHS

Property Name/Address	Rating	GLA	Deals	Leased SF	12 Mo Vacancy	12 Mo Net Absorp SF
<a href="#">Johnson Place</a> 4701-4729 Dale Curtin Dr	★★★★☆	14,000	1	2,571	6.0%	971

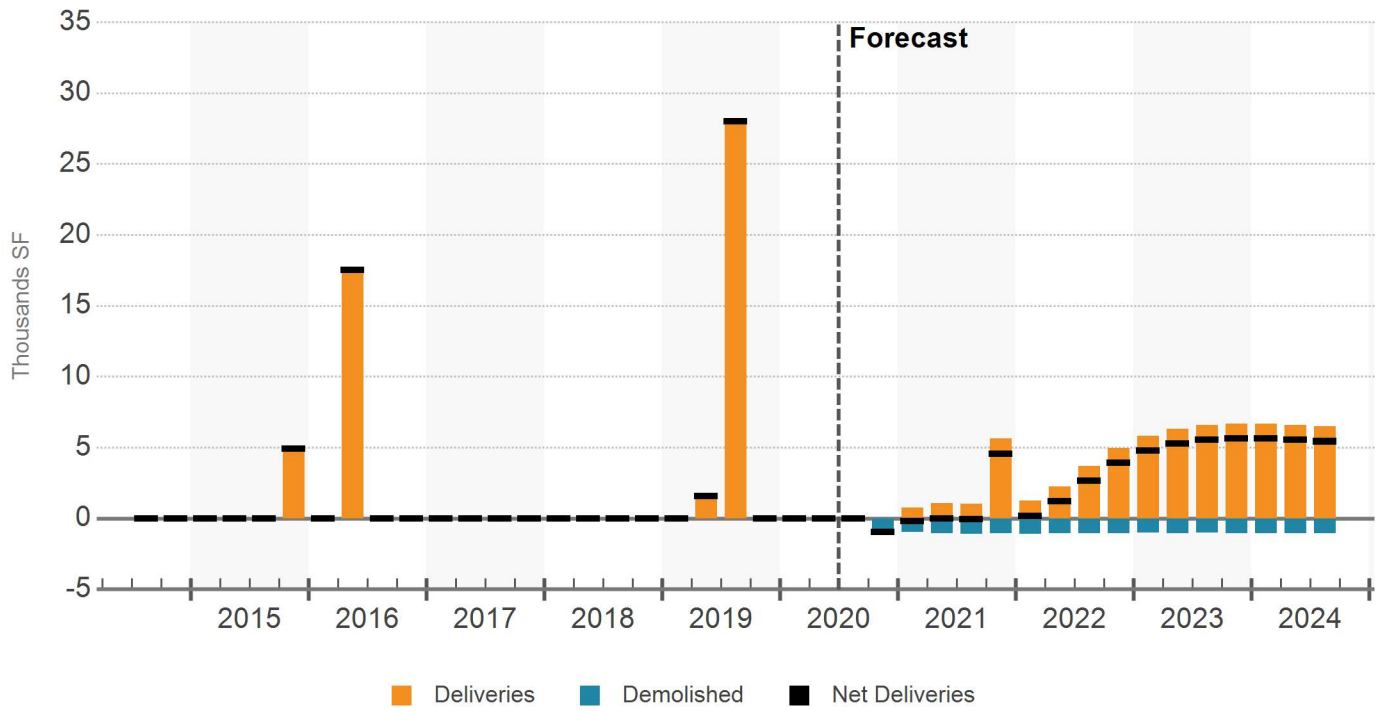
### MARKET RENT GROWTH (YOY)



### MARKET RENT PER SQUARE FEET



## DELIVERIES & DEMOLITIONS





# Construction

## Southeast Madison Retail

All-Time Annual Avg. Square Feet

Delivered Square Feet Past 8 Qtrs

Delivered Square Feet Next 8 Qtrs

Proposed Square Feet Next 8 Qtrs

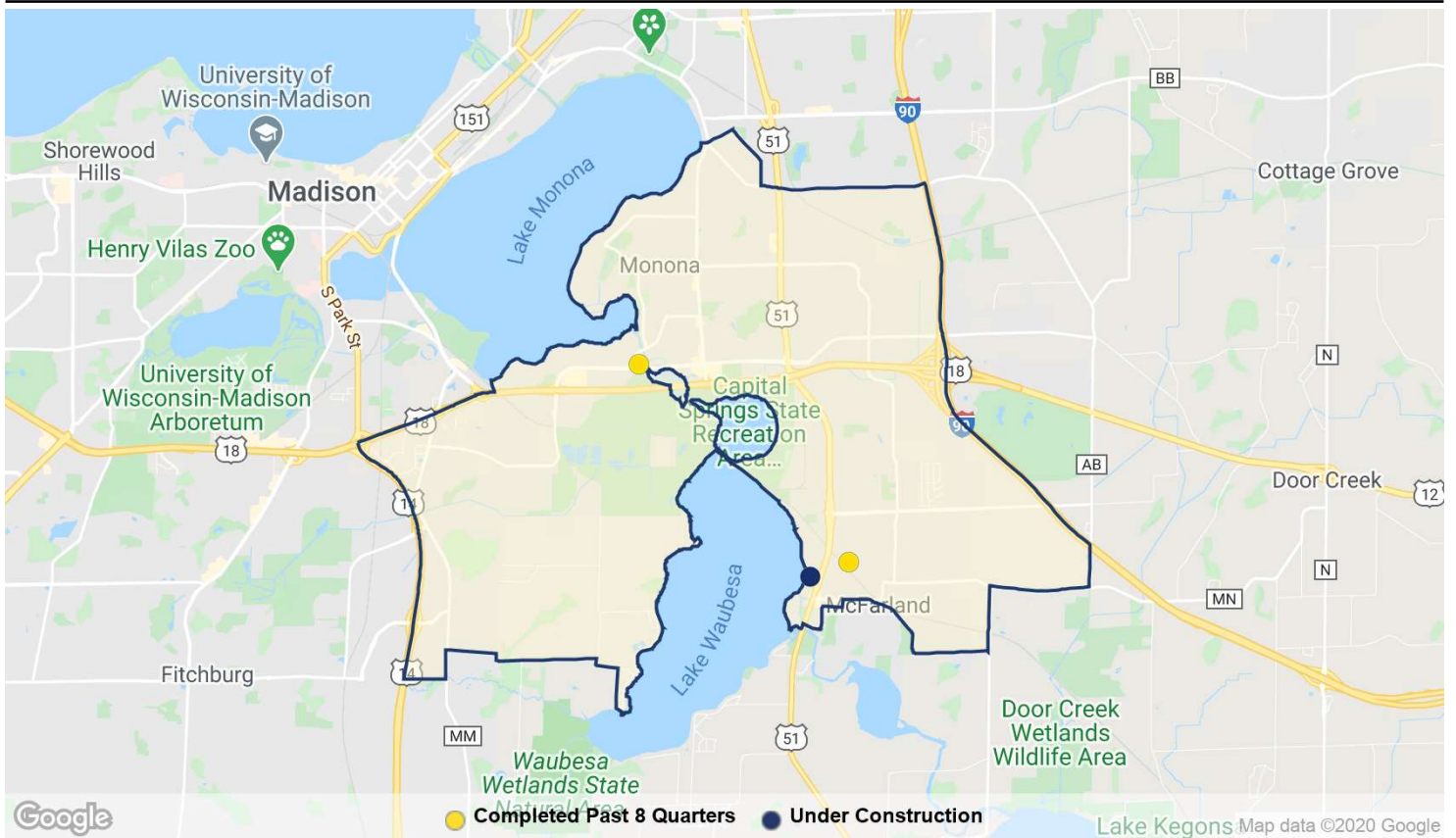
22,408

29,563

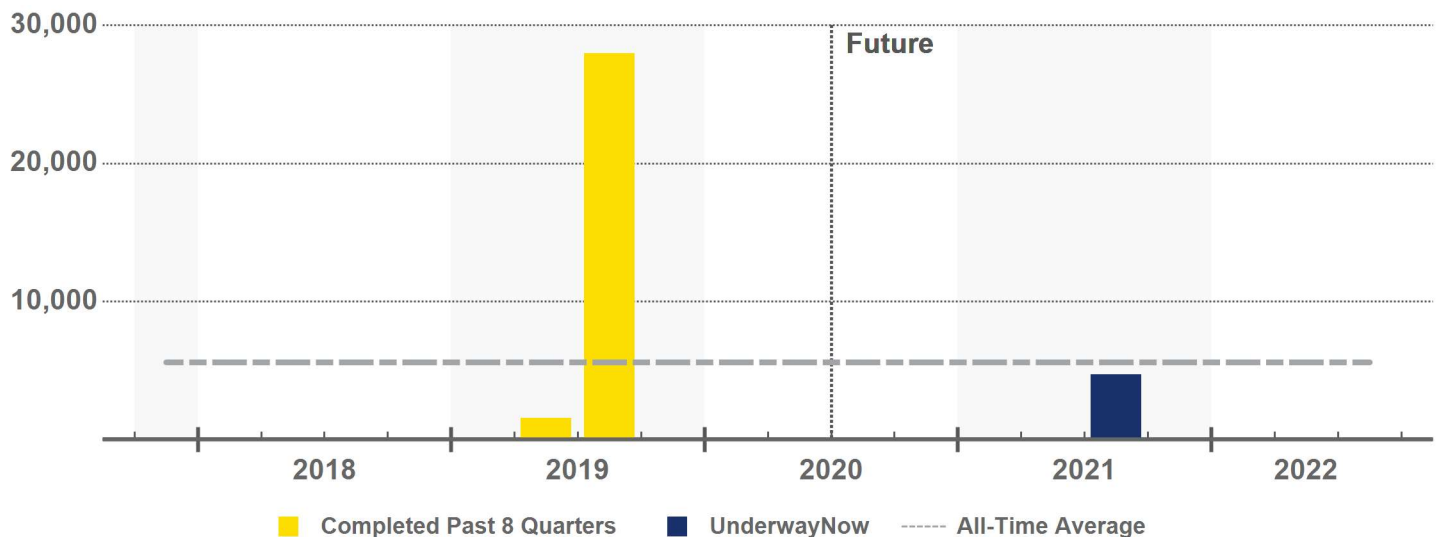
4,718

0

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



PAST & FUTURE DELIVERIES IN SQUARE FEET



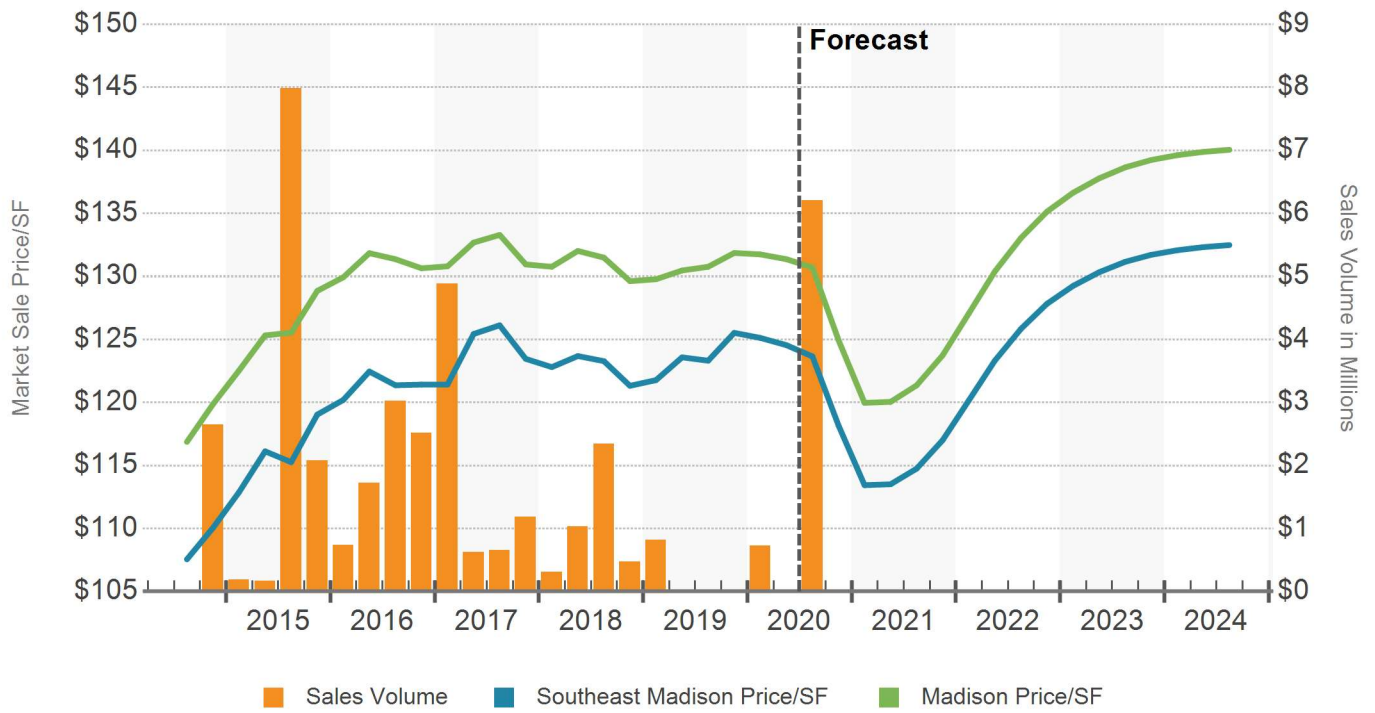
## RECENT DELIVERIES

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 800 W Broadway	★★★★☆	28,001	5	Mar 2019	Jul 2019	Galway Companies Galway Companies
2 5600 Lake Edge Rd	★★★★☆	1,562	1	Dec 2018	May 2019	- Village of McFarland

## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 5611-5613 Lake Edge Rd	★★★☆☆	4,718	1	Jul 2020	Sep 2021	- Timothy Neitzel

### SALES VOLUME & MARKET SALE PRICE PER SF



# Sales Past 12 Months

## Southeast Madison Retail

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

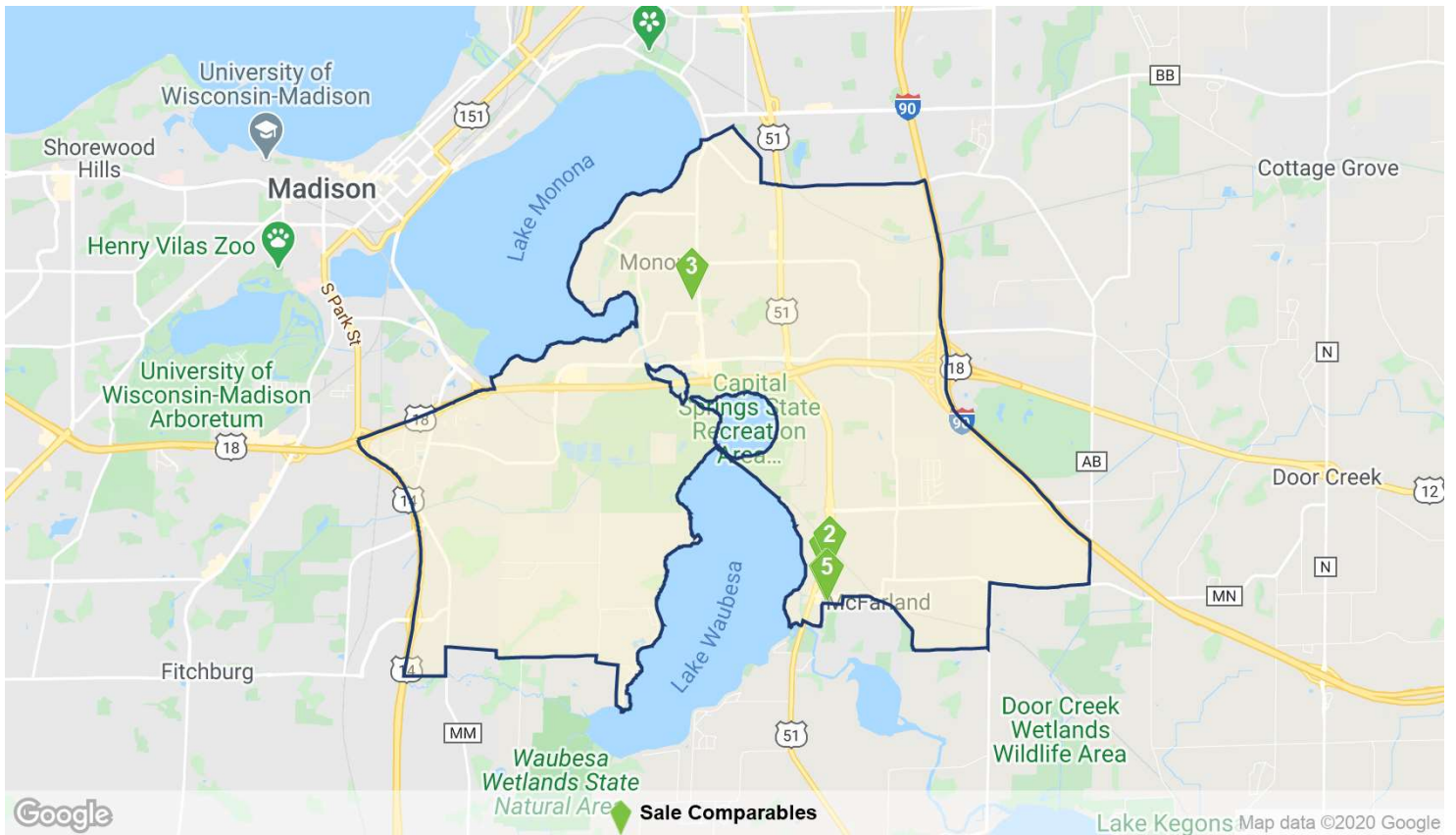
6

-

\$156

0%

### SALE COMPARABLE LOCATIONS



### SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$725,000	\$3,462,500	\$3,462,500	\$6,200,000
Price/SF	\$152	\$156	\$176	\$201
Cap Rate	-	-	-	-
Time Since Sale in Months	2.0	7.3	6.5	11.4
Property Attributes	Low	Average	Median	High
Building SF	3,600	10,380	4,440	40,920
Stories	1	1	1	1
Typical Floor SF	3,600	10,380	4,440	40,920
Vacancy Rate At Sale	0%	0%	0%	0%
Year Built	2004	2004	2004	2004
Star Rating	★★★★★	★★★★★ 2.2	★★★★★	★★★★★

# Sales Past 12 Months

## RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 5709 US Hwy 51	★★★★★	-	40,920	0%	7/28/2020	\$6,200,000	\$152	-
2 Spartan Animal Hospital 4811 Larson Beach Rd	★★★★★	2004	3,600	0%	2/28/2020	\$725,000	\$201	-
3 108 Owen Rd	★★★★★	-	5,280	0%	4/2/2020	-	-	-
3 108 Owen Rd	★★★★★	-	5,280	0%	3/31/2020	-	-	-
4 4724 Burma Rd	★★★★★	-	3,600	0%	10/16/2019	-	-	-
5 4802 Burma Rd	★★★★★	-	3,600	0%	10/16/2019	-	-	-

# Supply & Demand Trends

Southeast Madison Retail

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	2,619,345	21,920	0.8%	23,331	0.9%	0.9
2023	2,597,425	21,253	0.8%	19,603	0.8%	1.1
2022	2,576,172	7,907	0.3%	13,242	0.5%	0.6
2021	2,568,265	4,321	0.2%	7,499	0.3%	0.6
2020	2,563,944	(957)	0%	(32,158)	-1.3%	-
YTD	2,564,901	0	0%	(24,638)	-1.0%	-
2019	2,564,901	29,563	1.2%	(65,030)	-2.5%	-
2018	2,535,338	0	0%	24,413	1.0%	0
2017	2,535,338	0	0%	1,406	0.1%	0
2016	2,535,338	17,500	0.7%	46,957	1.9%	0.4
2015	2,517,838	4,900	0.2%	13,632	0.5%	0.4
2014	2,512,938	0	0%	14,727	0.6%	0
2013	2,512,938	0	0%	(17,839)	-0.7%	-
2012	2,512,938	0	0%	20,388	0.8%	0
2011	2,512,938	0	0%	(4,371)	-0.2%	-
2010	2,512,938	(10,000)	-0.4%	(12,949)	-0.5%	-
2009	2,522,938	36,620	1.5%	25,254	1.0%	1.5
2008	2,486,318	(1,800)	-0.1%	(19,016)	-0.8%	-

## NEIGHBORHOOD CENTER SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	603,897	1,790	0.3%	1,967	0.3%	0.9
2023	602,107	1,740	0.3%	1,672	0.3%	1.0
2022	600,367	720	0.1%	3,635	0.6%	0.2
2021	599,647	76	0%	1,085	0.2%	0.1
2020	599,571	(39)	0%	(5,767)	-1.0%	-
YTD	599,610	0	0%	(1,848)	-0.3%	-
2019	599,610	0	0%	10,900	1.8%	0
2018	599,610	0	0%	7,100	1.2%	0
2017	599,610	0	0%	(2,482)	-0.4%	-
2016	599,610	0	0%	17,032	2.8%	0
2015	599,610	0	0%	(593)	-0.1%	-
2014	599,610	0	0%	31,700	5.3%	0
2013	599,610	0	0%	(2,503)	-0.4%	-
2012	599,610	0	0%	6,181	1.0%	0
2011	599,610	0	0%	(4,218)	-0.7%	-
2010	599,610	0	0%	(74)	0%	-
2009	599,610	36,620	6.5%	8,557	1.4%	4.3
2008	562,990	0	0%	(18,325)	-3.3%	-



# Supply & Demand Trends

Southeast Madison Retail

## STRIP CENTER SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	169,020	0	0%	1,197	0.7%	0
2023	169,020	0	0%	1,350	0.8%	0
2022	169,020	0	0%	2,059	1.2%	0
2021	169,020	0	0%	1,558	0.9%	0
2020	169,020	0	0%	(10,666)	-6.3%	-
YTD	169,020	0	0%	(9,857)	-5.8%	-
2019	169,020	0	0%	2,000	1.2%	0
2018	169,020	0	0%	13,439	8.0%	0
2017	169,020	0	0%	(7,640)	-4.5%	-
2016	169,020	0	0%	(3,888)	-2.3%	-
2015	169,020	0	0%	(3,857)	-2.3%	-
2014	169,020	0	0%	(1,143)	-0.7%	-
2013	169,020	0	0%	1,569	0.9%	0
2012	169,020	0	0%	1,441	0.9%	0
2011	169,020	0	0%	2,059	1.2%	0
2010	169,020	0	0%	(5,875)	-3.5%	-
2009	169,020	0	0%	(157)	-0.1%	-
2008	169,020	0	0%	3,220	1.9%	0

## GENERAL RETAIL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2024	1,846,428	20,130	1.1%	20,167	1.1%	1.0
2023	1,826,298	19,513	1.1%	16,581	0.9%	1.2
2022	1,806,785	7,187	0.4%	7,548	0.4%	1.0
2021	1,799,598	4,245	0.2%	4,856	0.3%	0.9
2020	1,795,353	(918)	-0.1%	(15,725)	-0.9%	-
YTD	1,796,271	0	0%	(12,933)	-0.7%	-
2019	1,796,271	29,563	1.7%	(77,930)	-4.3%	-
2018	1,766,708	0	0%	3,874	0.2%	0
2017	1,766,708	0	0%	11,528	0.7%	0
2016	1,766,708	17,500	1.0%	33,813	1.9%	0.5
2015	1,749,208	4,900	0.3%	18,082	1.0%	0.3
2014	1,744,308	0	0%	(15,830)	-0.9%	-
2013	1,744,308	0	0%	(16,905)	-1.0%	-
2012	1,744,308	0	0%	12,766	0.7%	0
2011	1,744,308	0	0%	(2,212)	-0.1%	-
2010	1,744,308	(10,000)	-0.6%	(7,000)	-0.4%	-
2009	1,754,308	0	0%	16,854	1.0%	0
2008	1,754,308	(1,800)	-0.1%	(3,911)	-0.2%	-

### OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$14.71	110	0.3%	3.6%	139,719	5.3%	-0.1%
2023	\$14.65	109	1.6%	3.3%	141,447	5.4%	0%
2022	\$14.42	108	3.9%	1.6%	140,127	5.4%	-0.2%
2021	\$13.88	104	-0.1%	-2.2%	145,690	5.7%	-0.1%
2020	\$13.89	104	-2.2%	-2.2%	148,746	5.8%	1.2%
YTD	\$14.19	106	0%	0%	142,164	5.5%	1.0%
2019	\$14.19	106	1.3%	0%	117,526	4.6%	3.7%
2018	\$14.01	105	1.0%	-1.3%	22,933	0.9%	-1.0%
2017	\$13.87	103	2.0%	-2.3%	47,346	1.9%	-0.1%
2016	\$13.59	101	1.6%	-4.2%	48,752	1.9%	-1.2%
2015	\$13.38	100	2.8%	-5.8%	78,209	3.1%	-0.4%
2014	\$13.01	97	1.5%	-8.3%	86,941	3.5%	-0.6%
2013	\$12.82	96	1.2%	-9.6%	101,668	4.0%	0.7%
2012	\$12.67	95	-0.5%	-10.7%	83,829	3.3%	-0.8%
2011	\$12.73	95	-0.9%	-10.3%	104,217	4.1%	0.2%
2010	\$12.85	96	-1.9%	-9.5%	99,846	4.0%	0.1%
2009	\$13.10	98	-2.3%	-7.7%	96,897	3.8%	0.4%
2008	\$13.40	100	-0.3%	-5.6%	85,531	3.4%	0.7%

### NEIGHBORHOOD CENTER RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$15.30	113	0.5%	4.3%	1,585	0.3%	0%
2023	\$15.22	112	1.8%	3.7%	1,806	0.3%	0%
2022	\$14.95	110	4.1%	1.9%	1,781	0.3%	-0.5%
2021	\$14.36	106	0.1%	-2.2%	4,728	0.8%	-0.2%
2020	\$14.34	106	-2.3%	-2.3%	5,730	1.0%	1.0%
YTD	\$14.64	108	-0.2%	-0.2%	1,848	0.3%	0.3%
2019	\$14.67	108	1.4%	0%	0	0%	-1.8%
2018	\$14.47	107	1.5%	-1.4%	10,900	1.8%	-1.2%
2017	\$14.24	105	2.3%	-2.9%	18,000	3.0%	0.4%
2016	\$13.92	103	2.1%	-5.1%	15,518	2.6%	-2.8%
2015	\$13.64	101	2.8%	-7.0%	32,550	5.4%	0.1%
2014	\$13.27	98	1.6%	-9.5%	31,957	5.3%	-5.3%
2013	\$13.06	96	1.3%	-11.0%	63,657	10.6%	0.4%
2012	\$12.90	95	-0.7%	-12.1%	61,154	10.2%	-1.0%
2011	\$12.99	96	-1.1%	-11.4%	67,335	11.2%	0.7%
2010	\$13.13	97	-1.5%	-10.5%	63,117	10.5%	0%
2009	\$13.34	98	-1.6%	-9.1%	63,043	10.5%	4.3%
2008	\$13.55	100	0.4%	-7.6%	34,980	6.2%	3.3%

### STRIP CENTER RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$12.69	103	0%	1.9%	12,597	7.5%	-0.7%
2023	\$12.69	103	1.2%	1.9%	13,794	8.2%	-0.8%
2022	\$12.54	102	3.4%	0.7%	15,144	9.0%	-1.2%
2021	\$12.12	98	-0.6%	-2.6%	17,203	10.2%	-0.9%
2020	\$12.20	99	-1.8%	-2.0%	18,761	11.1%	6.3%
YTD	\$12.50	101	0.6%	0.3%	17,952	10.6%	5.8%
2019	\$12.43	101	0.3%	-0.2%	8,095	4.8%	-1.2%
2018	\$12.39	100	0.6%	-0.5%	10,095	6.0%	-8.0%
2017	\$12.31	100	1.7%	-1.1%	23,534	13.9%	4.5%
2016	\$12.11	98	1.0%	-2.7%	15,894	9.4%	2.3%
2015	\$12.00	97	1.8%	-3.6%	12,006	7.1%	2.3%
2014	\$11.79	96	0.7%	-5.4%	8,149	4.8%	0.7%
2013	\$11.71	95	0.8%	-6.0%	7,006	4.1%	-0.9%
2012	\$11.61	94	-0.7%	-6.7%	8,575	5.1%	-0.9%
2011	\$11.70	95	-1.7%	-6.1%	10,016	5.9%	-1.2%
2010	\$11.90	97	-2.0%	-4.5%	12,075	7.1%	3.5%
2009	\$12.14	98	-1.5%	-2.5%	6,200	3.7%	0.1%
2008	\$12.33	100	-1.0%	-1.0%	6,043	3.6%	-1.9%

### GENERAL RETAIL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2024	\$14.70	109	0.3%	3.5%	125,537	6.8%	-0.1%
2023	\$14.65	109	1.6%	3.2%	125,847	6.9%	0.1%
2022	\$14.42	107	3.9%	1.6%	123,202	6.8%	-0.1%
2021	\$13.88	103	-0.1%	-2.2%	123,759	6.9%	0%
2020	\$13.89	103	-2.2%	-2.2%	124,255	6.9%	0.8%
YTD	\$14.20	106	0%	0%	122,364	6.8%	0.7%
2019	\$14.20	106	1.3%	0%	109,431	6.1%	6.0%
2018	\$14.02	104	0.9%	-1.3%	1,938	0.1%	-0.2%
2017	\$13.89	103	2.0%	-2.2%	5,812	0.3%	-0.7%
2016	\$13.62	101	1.5%	-4.0%	17,340	1.0%	-0.9%
2015	\$13.42	100	2.9%	-5.5%	33,653	1.9%	-0.8%
2014	\$13.04	97	1.5%	-8.1%	46,835	2.7%	0.9%
2013	\$12.85	95	1.2%	-9.5%	31,005	1.8%	1.0%
2012	\$12.69	94	-0.4%	-10.6%	14,100	0.8%	-0.7%
2011	\$12.74	95	-0.8%	-10.3%	26,866	1.5%	0.1%
2010	\$12.84	95	-2.0%	-9.5%	24,654	1.4%	-0.2%
2009	\$13.11	97	-2.5%	-7.6%	27,654	1.6%	-1.0%
2008	\$13.46	100	-0.4%	-5.2%	44,508	2.5%	0.1%

# Sale Trends

## Southeast Madison Retail

### OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2024	-	-	-	-	-	-	\$132.61	139	7.3%
2023	-	-	-	-	-	-	\$131.71	138	7.3%
2022	-	-	-	-	-	-	\$127.83	134	7.4%
2021	-	-	-	-	-	-	\$117.01	123	7.7%
2020	-	-	-	-	-	-	\$118.19	124	7.9%
YTD	4	\$6.9M	2.1%	\$3,462,500	\$155.55	-	\$124.26	130	7.6%
2019	4	\$819.5K	0.6%	\$819,500	\$186.25	-	\$125.52	132	7.6%
2018	8	\$4.2M	2.4%	\$613,267	\$72.18	8.7%	\$121.32	127	7.6%
2017	14	\$7.3M	2.6%	\$734,030	\$173.23	5.9%	\$123.46	129	7.4%
2016	9	\$8M	3.7%	\$998,152	\$88.34	7.1%	\$121.42	127	7.4%
2015	7	\$10.4M	5.2%	\$1,487,709	\$78.87	7.3%	\$119.03	125	7.4%
2014	7	\$4.6M	4.3%	\$915,500	\$47.18	-	\$110.05	115	7.7%
2013	6	\$8.2M	1.6%	\$1,631,070	\$233.34	-	\$102.61	108	7.9%
2012	10	\$5.2M	4.4%	\$746,129	\$62.65	7.0%	\$96.60	101	8.1%
2011	8	\$5.6M	6.7%	\$700,795	\$33.08	-	\$89.38	94	8.5%
2010	4	\$2.4M	2.1%	\$656,667	\$44.61	-	\$84.24	88	8.8%
2009	5	\$8.5M	3.9%	\$1,701,450	\$87.15	13.0%	\$82.10	86	8.9%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

### NEIGHBORHOOD CENTER SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2024	-	-	-	-	-	-	\$117.64	136	7.3%
2023	-	-	-	-	-	-	\$116.60	134	7.3%
2022	-	-	-	-	-	-	\$112.91	130	7.4%
2021	-	-	-	-	-	-	\$103.16	119	7.7%
2020	-	-	-	-	-	-	\$103.97	120	7.9%
YTD	-	-	-	-	-	-	\$109.14	126	7.6%
2019	-	-	-	-	-	-	\$109.47	126	7.6%
2018	-	-	-	-	-	-	\$106.05	122	7.6%
2017	-	-	-	-	-	-	\$105.26	121	7.5%
2016	1	\$0.00	0.4%	-	-	-	\$104.92	121	7.4%
2015	-	-	-	-	-	-	\$101.96	118	7.5%
2014	2	\$2.7M	11.9%	\$1,362,500	\$38.10	-	\$93.70	108	7.9%
2013	-	-	-	-	-	-	\$91.14	105	7.9%
2012	-	-	-	-	-	-	\$86.45	100	8.1%
2011	4	\$3.7M	25.5%	\$925,000	\$24.23	-	\$79.68	92	8.4%
2010	-	-	-	-	-	-	\$76.10	88	8.7%
2009	1	\$4.3M	9.1%	\$4,300,000	\$78.83	-	\$73.91	85	8.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

# Sale Trends

## STRIP CENTER SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2024	-	-	-	-	-	-	\$152.30	156	7.3%
2023	-	-	-	-	-	-	\$151.65	155	7.3%
2022	-	-	-	-	-	-	\$147.61	151	7.3%
2021	-	-	-	-	-	-	\$135.71	139	7.7%
2020	-	-	-	-	-	-	\$137.72	141	7.8%
YTD	-	-	-	-	-	-	\$144.90	148	7.6%
2019	-	-	-	-	-	-	\$149.73	153	7.5%
2018	1	\$475K	4.7%	-	\$59.47	8.7%	\$141.17	145	7.6%
2017	1	\$370.7K	3.3%	\$370,700	\$65.82	-	\$149.47	153	7.3%
2016	1	\$1.1M	5.9%	\$1,090,000	\$109.55	-	\$141.78	145	7.3%
2015	-	-	-	-	-	-	\$134.05	137	7.5%
2014	-	-	-	-	-	-	\$125.23	128	7.8%
2013	-	-	-	-	-	-	\$117.65	120	8.0%
2012	1	\$0.00	4.3%	-	-	-	\$103.54	106	8.5%
2011	-	-	-	-	-	-	\$97.00	99	8.8%
2010	1	\$396K	4.7%	-	\$49.58	-	\$86.81	89	9.4%
2009	1	\$950K	8.1%	\$950,000	\$69.39	13.0%	\$84.50	87	9.5%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## GENERAL RETAIL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2024	-	-	-	-	-	-	\$135.75	138	7.3%
2023	-	-	-	-	-	-	\$134.87	137	7.3%
2022	-	-	-	-	-	-	\$130.93	133	7.4%
2021	-	-	-	-	-	-	\$119.87	122	7.7%
2020	-	-	-	-	-	-	\$121.09	123	7.9%
YTD	4	\$6.9M	3.1%	\$3,462,500	\$155.55	-	\$127.35	130	7.6%
2019	4	\$819.5K	0.8%	\$819,500	\$186.25	-	\$128.59	131	7.6%
2018	7	\$3.7M	3.0%	\$613,267	\$74.23	-	\$124.54	127	7.6%
2017	13	\$7M	3.4%	\$774,400	\$189.70	5.9%	\$127.07	130	7.4%
2016	7	\$6.9M	4.6%	\$985,031	\$85.72	7.1%	\$125.00	127	7.4%
2015	7	\$10.4M	7.5%	\$1,487,709	\$78.87	7.3%	\$123.31	126	7.3%
2014	5	\$1.9M	2.1%	\$617,500	\$72.68	-	\$114.08	116	7.6%
2013	6	\$8.2M	2.3%	\$1,631,070	\$233.34	-	\$105.02	107	7.9%
2012	9	\$5.2M	5.9%	\$746,129	\$62.65	7.0%	\$99.33	101	8.1%
2011	4	\$1.9M	1.0%	\$476,590	\$113.68	-	\$91.89	94	8.5%
2010	3	\$2M	2.6%	\$656,667	\$43.73	-	\$86.71	88	8.8%
2009	3	\$3.3M	1.7%	\$1,085,750	\$110.87	-	\$84.60	86	8.9%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.