

# MILWAUKEE, WISCONSIN

## APARTMENT RENT CONTINUES TO RISE AMID HEALTHY OCCUPANCY

Of the approximately 117,000 jobs shed from Greater Milwaukee employer payrolls during the first half of 2020, 50,000 jobs were rehired or recovered by year-end. This trend of recovery is expected to continue over the next 12 months, thanks to Milwaukee's continued appeal as a destination for expanding manufacturing and logistics firms. An in-progress expansion by Milwaukee Tool will add a new corporate campus to Menomonee Falls and 770 new jobs to the metro over the next five years. Likewise, pump manufacturer Wilo USA LLC is expanding its presence in the metro with a new 250,000-square-foot facility in 2022. Another boon for the metro is an expected influx of remote work professionals relocating from coastal cities that have been affected by COVID-19. Economic development experts have highlighted the Milwaukee metro's unique appeal to former coastal residents seeking an alternative, amenities-filled urban environment. This and other signs of positive economic recovery are encouraging apartment operators to increase effective rent 0.4% over the next 12 months to \$1,190. Healthy apartment occupancy will be the catalyst for the operators' decision to increase rent over the next two years. Occupancy will fall 20 basis points this year due to supply-side pressure caused by apartment construction ramping back up to pre-pandemic levels. The trend is expected to reverse course in 2022 when apartment developers ease the pace of construction. At 95.6% by year-end 2022, Milwaukee's occupancy will be up 20 basis points annually.



### 2021 MARKET AT A GLANCE

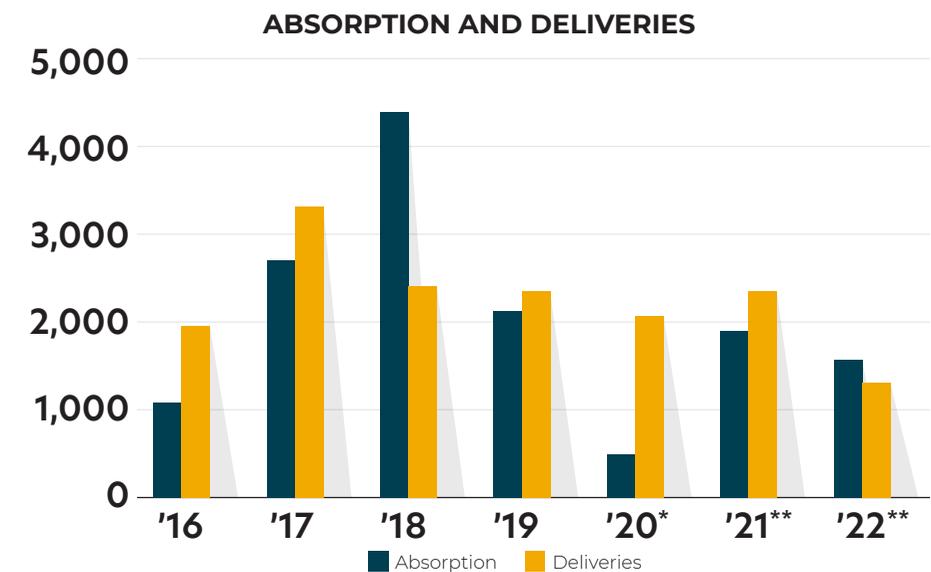
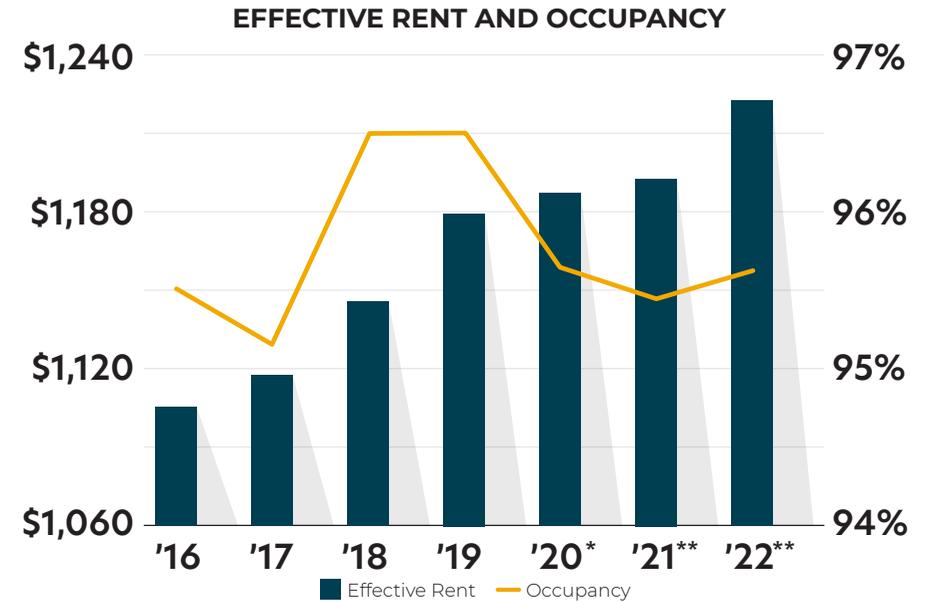
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**OCCUPANCY RATE**  
**95.4%**  
 Down 20 bps YOY
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**EFFECTIVE RENT**  
**\$1,190**  
 Up 0.4% YOY
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**RENT SHARE OF WALLET**  
**21.0%**  
 Down 10 bps YOY

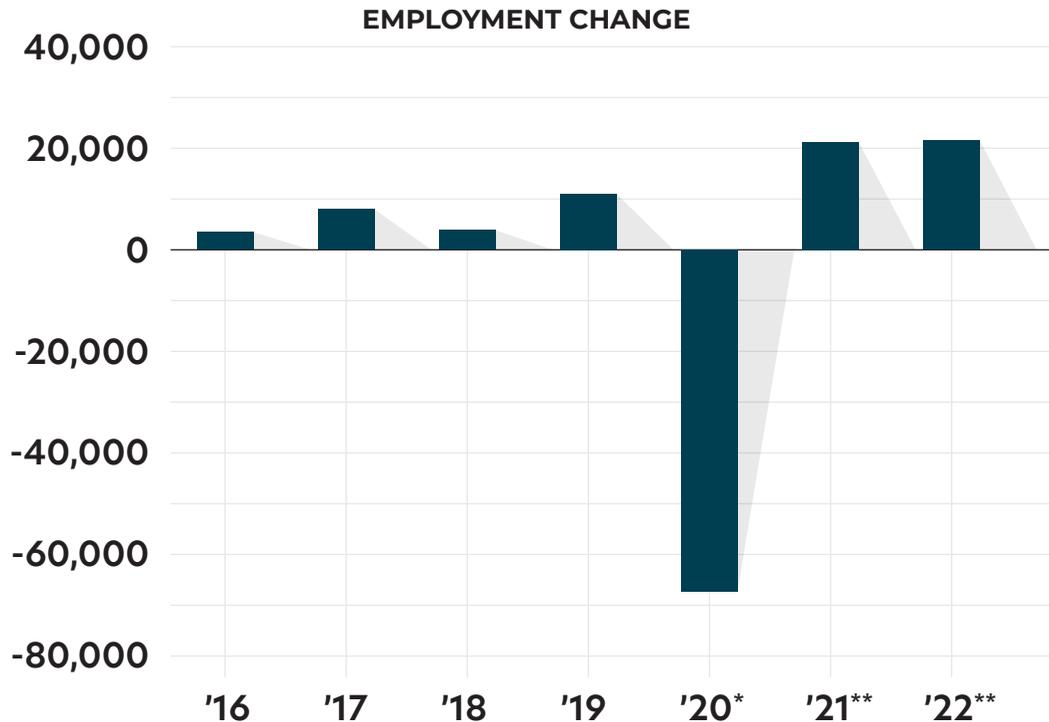
### MARKET TRENDS



Data and images pertaining to employment, income, permits, population, rents, single-family housing, and occupancy are year-end figures. Absorption, construction, and apartment sales figures are full-year totals. \*Numbers for 2020 are projected values; \*\*2021/2022 figures are forecast projections. Apartment market data criteria and methodologies vary by market.

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## EMPLOYMENT TRENDS



EMPLOYMENT				
2019	YOY CHANGE	2020*	YOY CHANGE	2021**
886,100	-7.5%	819,500	2.5%	840,200

UNEMPLOYMENT RATE				
2019	YOY CHANGE	2020	YOY CHANGE	2021
2.6%	520 BPS	7.8%	-160 BPS	6.2%

POPULATION				
2019	YOY CHANGE	2020	YOY CHANGE	2021
1,576,600	0.2%	1,579,600	0.2%	1,582,000

HOUSEHOLDS				
2019	YOY CHANGE	2020	YOY CHANGE	2021
643,500	0.5%	647,000	0.5%	650,500

MEDIAN HOUSEHOLD INCOME				
2019	YOY CHANGE	2020	YOY CHANGE	2021
\$65,876	2.5%	\$67,551	0.5%	\$67,906

## SALES TRENDS

PRICE PER UNIT		
2019	YOY CHANGE	2020*
\$60,141	18.0%	\$70,968

CAP RATE		
2019	YOY CHANGE	2020
8.9%	-130 BPS	7.6%



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