

# MILWAUKEE, WI

## 2022 MARKET AT A GLANCE

### Occupancy Rate

95.8%



DOWN 50 BPS YOY

### Effective Rent

\$1,308



UP 2.7% YOY

### Rent Share of Wallet

22.1%



DOWN 10 BPS YOY

## Employment Growth Drives Apartment Development, Making Milwaukee a Midwestern Gem

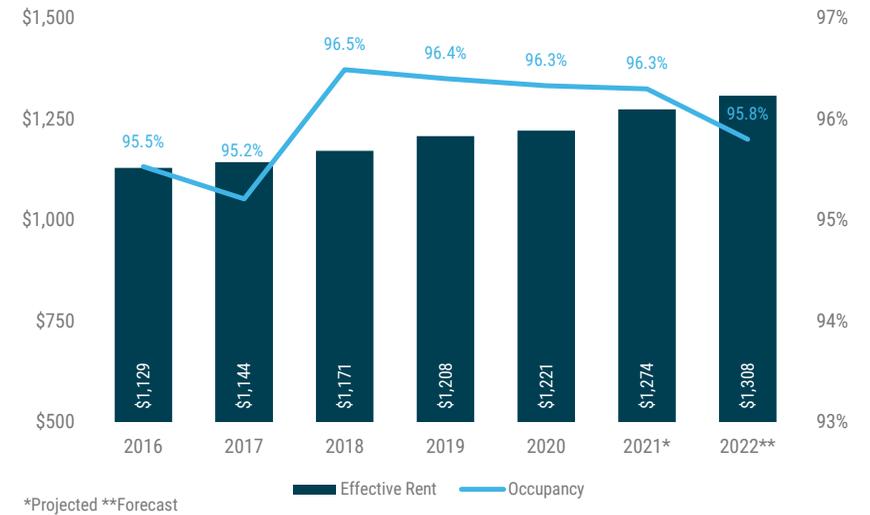
Heading into 2022, employment in the Milwaukee metro is forecast to increase 2.2%, supporting apartment demand. Local payrolls are projected to increase with 19,000 net jobs, some of which will come with the addition of Komatsu Mining Corporation's \$285 million headquarters. The 606,000-square-foot development will include a manufacturing plant, an automation lab, and office space. Expected to be fully functional this year, the headquarters will house more than 1,000 employees. Meanwhile, multifamily builders are working to keep up with the housing demand that comes with more jobs. Deliveries are expected to increase 6.5% year over year with over 1,800 apartment units coming online in 2022. Most of the incoming units will be delivered in Waukesha County. The submarket is near the urban center, fueling high demand. The submarket also draws in residents with its multiple lakes that offer boating and fishing opportunities. Though demand should be high in the Waukesha County submarket, net absorption throughout the whole metro is forecast to decrease this year. Part of the slowdown comes as single-family home sales are projected to remain elevated. The supply side pressure will also contribute to average apartment occupancy dropping to 95.8% in the fourth quarter of 2022. Even so, the Milwaukee apartment market will remain one of the strongest in the Midwest with local occupancy projected to be higher than Chicago, Kansas City, and St. Louis. Continued rent growth will be another positive indicator of the health of the Milwaukee apartment market, with effective rent forecast to rise 2.7% this year.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

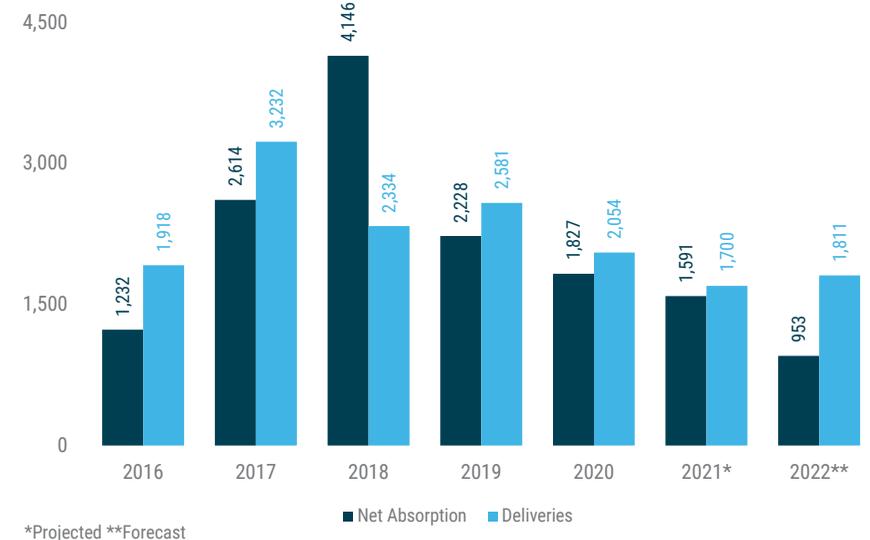
2022 FORECAST

## APARTMENT TRENDS

### Effective Rent & Occupancy

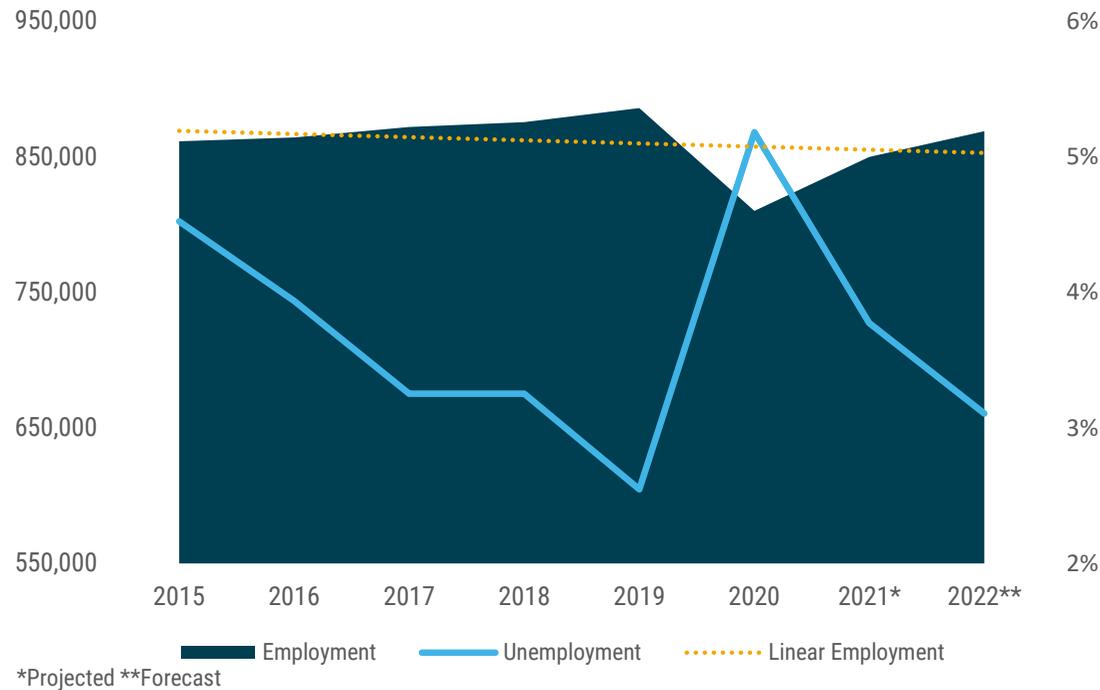


### Absorption & Deliveries



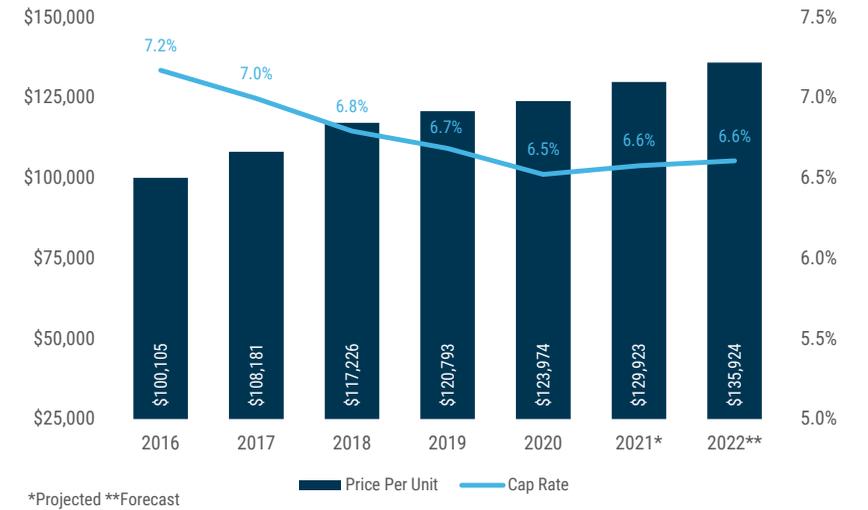
## EMPLOYMENT TRENDS

### Market Employment Trends



## SALES TRENDS

### Price Per Unit & Cap Rate



### Employment

868,900



UP 2.2% YOY

### Unemployment

3.1%



DOWN 70 BPS YOY

### Median Household Income

\$71,098



UP 3.5% YOY

### Price Per Unit

\$135,924



UP 4.6% YOY

### Cap Rate

6.6%



UNCHANGED YOY