

MILWAUKEE, WI

2023 MARKET AT A GLANCE

Occupancy Rate

95.9%



DOWN 50 BPS YOY

Effective Rent

\$1,473



UP 3.0% YOY

Rent Share of Wallet

22.6%



DOWN 30 BPS YOY

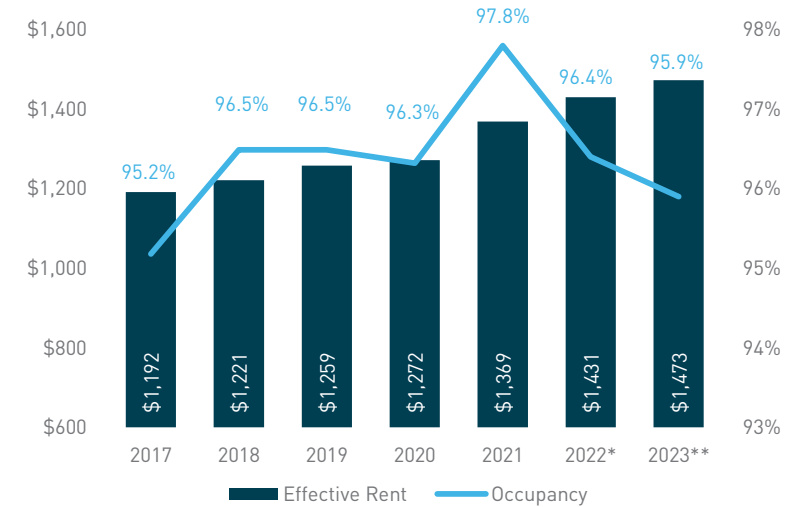
Suburban Demand Fuels Health of Milwaukee Apartment Market

After a slow-moving year in 2022, apartment leasing activity in Greater Milwaukee is expected to bounce back as a lack of available homes for sale coupled with an affordable multifamily market will keep many residents in the renter pool throughout the year. A majority of the projected 2,222 net move-ins metrowide fall in the Franklin/Oak Creek and the Racine submarkets due to their proximity to the heart of Milwaukee. Households are projected to increase 0.3% annually metrowide, underpinning apartment demand. Part of the housing need will be created with a 0.7% increase in nonfarm employment as employers add 5,900 jobs to payrolls throughout the year. Also facilitating the increased leasing activity across the metro will be 3,147 deliveries projected to come online in 2023, up more than 34% from one year prior. Waukesha County, the third-most populated county in the state, will lead the way with 710 new units set to come online this year. With leasing activity trailing new supply, the market will see a cool down in effective rent growth. Monthly effective rent is projected to reach \$1,473 by year-end, a 3.0% annual increase, and a down from 4.5% during one year prior. Even with the forecast increase, the cost of renting is expected to remain lower than the median monthly mortgage payment. Also this year, the average occupancy rate in the market is projected to drop 50 basis points to 95.9% by the fourth quarter of 2023, approximating the average rate over the last five years.

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 2022 are projected values. 2023 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.

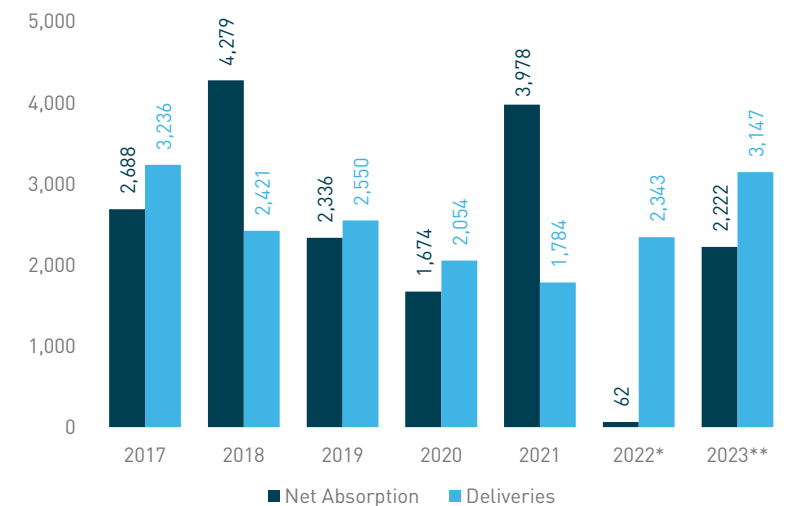
Apartment Trends

Effective Rent & Occupancy



*Projected **Forecast

Absorption & Deliveries

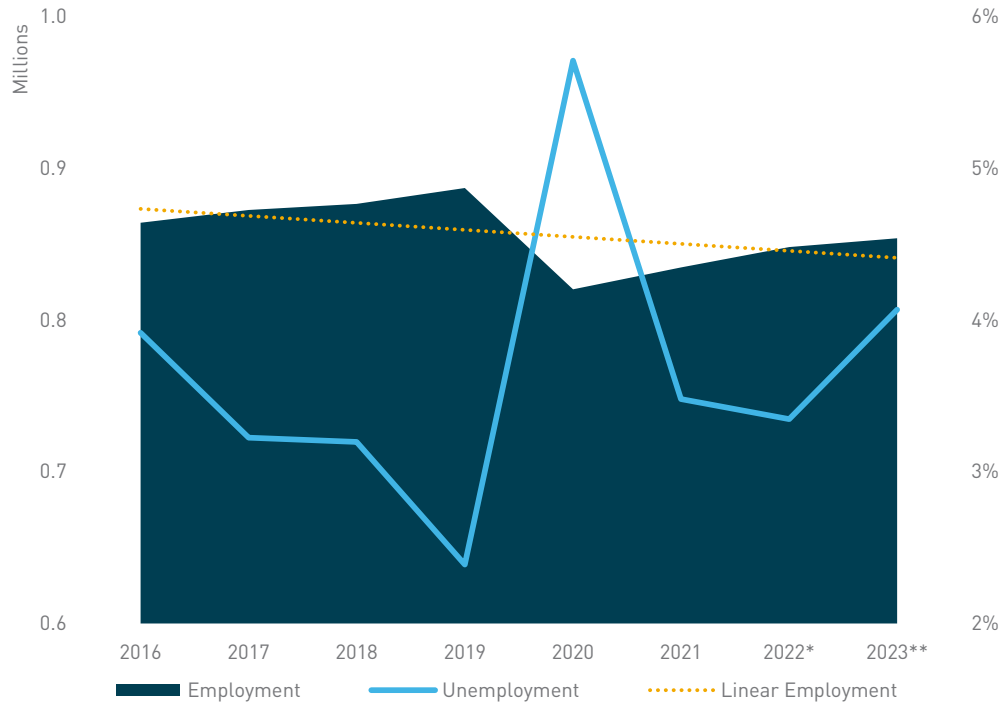


*Projected **Forecast

MILWAUKEE, WI

Employment Trends

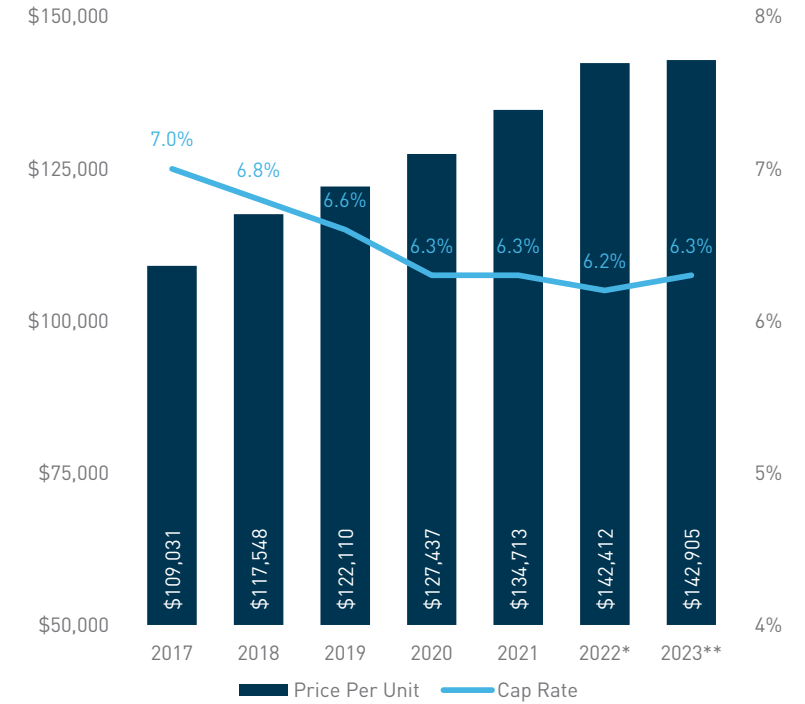
Market Employment Trends



*Projected **Forecast

Sales Trends

Price Per Unit & Cap Rate



*Projected **Forecast

Employment

853,800



UP 0.7% YOY

Unemployment

4.1%



UP 80 BPS YOY

Median Household Income

\$78,062



UP 4.0% YOY

Price Per Unit

\$142,905



UP 0.3% YOY

Cap Rate

6.3%



UP 10 BPS YOY