

# L&A Appraisal, Inc.

Commercial Real Estate Appraisers

## APPRAISAL REPORT

### Of The

Two Office Buildings (General Executive Facilities II and III)

### Located At

101 & 125 South Webster Street, Madison, Wisconsin 53703



### Pertinent Dates

Effective Date	September 5, 2025
Date of the Report	September 23, 2025
Inspection Date	September 5, 2025

### Prepared For

State of Wisconsin DOA-Division of Facilities & Transportation Services  
Attention: Mr. David Roessler  
101 East Wilson Street, 7th Floor, PO Box 7866  
Madison, WI 53707-7866

September 23, 2025

State of Wisconsin DOA-Division of Facilities & Transportation Services  
Attention: Mr. David Roessler  
101 East Wilson Street, 7th Floor, PO Box 7866  
Madison, WI 53707-7866

Re: 101 & 125 South Webster Street, Madison, Wisconsin 53703

As requested, an appraisal report of the as is market value of the 10-story, plus underground parking office building, located at 101 & 125 South Webster Street, Madison, Wisconsin has been prepared. Enclosed is a report of 101 pages plus addenda.

This report describes the method of appraisal, contains data gathered in the investigation and explains the analyses used in arriving at the market value opinion. Please refer to the scope of work to understand the complexity and important facts affecting the value opinion.

It is hereby certified that the property legally described in the report was inspected.

The purpose of the appraisal is to develop an as is market value opinion of the subject property and allocated, hypothetical as is value opinions of each building of the subject property in fee simple estate interest, as of the date of inspection, September 5, 2025.

The as-is market opinion of value is **Forty-Five Million Four Hundred Fifty Thousand Dollars (\$45,450,000)**

The opinion of allocated, hypothetical as is value of 101 South Webster Street is **Twenty-Eight Million Five Hundred Fifty Thousand Dollars (\$28,550,000)**.

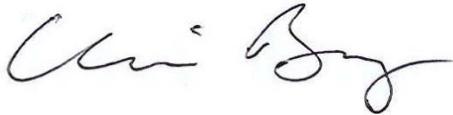
The opinion of allocated, hypothetical as is value of 125 South Webster Street is **Twenty-Two Million Four Hundred Twenty Thousand Dollars (\$22,420,000)**.

September 23, 2025  
Page Two

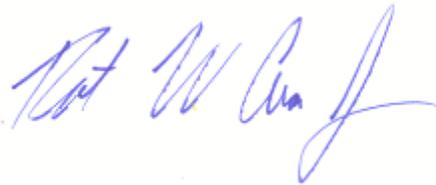
The property is appraised as a whole, owned in fee simple estate, and is subject to the Contingent and Limiting Conditions outlined herein. This appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, as interpreted by the appraisers.

It is a pleasure to serve you. If you have any questions concerning this report or if we may be of further service, please contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Berge".

Christopher G. Berge  
Wisconsin Certified General Appraiser #2608

A handwritten signature in blue ink, appearing to read "Robt W Quam Jr".

Robert W. Quam Jr., MAI, ASA, GAA  
Wisconsin Certified General Appraiser #1865  
(Appraisal Supervisor)

CGB/ RWQ

Enclosures

# **REPORT**

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**CERTIFICATION**

We certify that, to the best of our knowledge and belief:

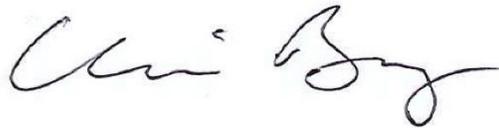
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* of the Appraisal Foundation.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Code of Professional Ethics and Standards of Professional Appraisal Practice* of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Robert W. Quam Jr., MAI, ASA, GAA has completed the requirements of the continuing education program of the Appraisal Institute.
- Christopher G Berge has made an interior and exterior inspection of the property that is the subject of this report. Robert W. Quam Jr., MAI, ASA, GAA has not made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.

The purpose of the appraisal is to develop an as is market value opinion of the subject property and allocated, hypothetical as is value opinions of each building of the subject property in fee simple estate interest, as of the date of inspection, September 5, 2025.

The as-is market opinion of value is **Forty-Five Million Four Hundred Fifty Thousand Dollars (\$45,450,000)**

The opinion of allocated, hypothetical as is value of 101 South Webster Street is **Twenty-Eight Million Five Hundred Fifty Thousand Dollars (\$28,550,000)**.

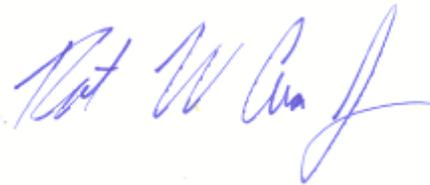
The opinion of allocated, hypothetical as is value of 125 South Webster Street is **Twenty-Two Million Four Hundred Twenty Thousand Dollars (\$22,420,000)**.



September 23, 2025

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Christopher G. Berge  
Wisconsin Certified General Appraiser #2608



September 23, 2025

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Robert W. Quam Jr., MAI, ASA, GAA  
Wisconsin Certified General Appraiser #1865  
(Appraisal Supervisor)

**SUMMARY OF SALIENT FACTS AND CONCLUSIONS**

Address	101 & 125 South Webster Street, Madison, Wisconsin
Type of Appraisal Report	Narrative Report
Client / Intended User	State of Wisconsin DOA-Division of Facilities & Transportation Services
Owner	State Building Commission, State of Wisconsin Department of Administration, State of Wisconsin Department of Natural Resources
Intended Use of Report	Internal Planning
Property Rights Appraised	Fee Simple Estate Interest
Transfer Data	See Sales History
Present Use	Office Buildings With Underground Parking Structure
Total Site Size	2.529 Acres or 110,163 SF
Zoning	DC, Downtown Core District
Highest and Best Use	As Improved
Building Sizes	223,270 Square Feet (101 South Webster Street) <u>167,735 Square Feet (125 South Webster Street)</u> 391,005 Square Feet (Total)
Exposure and Marketing Time	6 – 15 Months

Value, Cost Approach	Not Applicable
Value, Sales Comparison Approach	\$45,355,000
Value, Income Approach	\$45,585,000
Overall Value	\$45,450,000

101 South Webster Street (57%)	\$28,550,000
125 South Webster Street (43%)	\$22,420,000

Special Conditions

**See Scope of Work**

Pertinent Dates

Effective Date	September 5, 2025
Date of the Report	September 23, 2025
Inspection Date	September 5, 2025

Appraisers

Christopher G. Berge  
Wisconsin Certified General Appraiser #2608

Robert W. Quam Jr., MAI, ASA, GAA  
Wisconsin Certified General Appraiser #1865  
(Appraisal Supervisor)

## IDENTIFICATION OF THE SUBJECT

### Property Identification

The subject is a 223,270 square foot, nine-story plus underground parking office building and a 167,735 square foot, six-story plus underground parking office building, located at 101 & 125 South Webster Street, Madison, Wisconsin.

### Legal Description of the Subject Property

The legal descriptions of the subject as shown below were obtained from the City of Madison Assessor's Office. The following legal descriptions are not to be used for legal purposes.

Tax Key # 0709-133-2701-5 (Two Office Buildings), Owner: State Building Commission

Original Plat, Blk 107, Lots 2 Thru 7 And Lots 10 Thru 14 And Also Part Lot 8 Desc As Fol, Beg At Nly Cor Lot 8, Th Se 25 Ft, Th Sw 50 Ft, Th S 12 Deg E 34.33 Ft, Th S 18.1 Ft To N Ln King St, Th W Alg King St To Sw Ln Lot 8, Th Nw Alg Sd Sw Ln To Nw Ln Lot 8, Th Ne 132 Ft To Pob, in the City of Madison, County of Dane, State of Wisconsin.

Tax Key # 0709-133-2711-4 (Part of the Surface Parking Lot), Owner: WI DNR

Original Plat, Blk 107, Part Of Lots 8 & 9, Beg On Butler St 25 Ft Se Fr Ne Cor Of Lot 8 Th Swly At Rt Angs To Butler St 50 Ft Th To A Pt On King St 119 Ft W Fr E Cor Of Blk Th E On King St 33 Ft Th N At Rt Angs To King St 40 Ft Th At Rt Angs To Butler St 35 Ft Th Alg Butler 35 Ft To Beg, in the City of Madison, County of Dane, State of Wisconsin.

Tax Key # 0709-133-2712-2 (Part of the Surface Parking Lot), Owner: WI DOA

Original Plat, Blk 107, Part Of Lots 8 & 9, Beg At E Cor Of Blk Th W O N King St 89 Ft Th N At Rt Angs To King St 40 Ft Th Ne To Butler St To A Pt 60 Ft Se Of N Cor Of Lot 8 Th Se To Beg, in the City of Madison, County of Dane, State of Wisconsin.

## **SCOPE OF WORK**

### **Purpose of the Appraisal**

The purpose of this appraisal report in narrative format is to develop an opinion of market value of the subject property as is and allocated opinions of hypothetical value of each building, in fee simple estate interest of the subject as of the date of inspection, September 5, 2025.

### **Intended Use of the Appraisal**

The intended use is for internal planning.

### **Intended User of the Appraisal**

The intended client and intended user of the appraisal is State of Wisconsin DOA-Division of Facilities & Transportation Services. The appraisal is prepared for the client's intended use only and cannot be copied or disseminated without consent of the appraisers. It is assumed the client is familiar with the market area of the subject.

### **Type of Appraisal**

The appraisal is presented in narrative format. Some findings and analyses of the appraisers are summarized in this report. However, the basis of these summaries is included in the appraisers' notes.

### **Compliance Standards**

This appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, as interpreted by the appraisers.

### **Property Rights Appraised**

The subject is appraised in fee simple estate interest.

### **Inclusion of Non-Real Estate Items**

No personal property, trade fixtures, business/going concern value, or other intangible items are included in the value conclusion.

### Market Value Definition

Market value is defined by the Appraisal Institute, in *The Dictionary of Real Estate Appraisal*, Seventh Edition, 2022, published by the Appraisal Institute, as well as in 12CFR34.42(g); 55 FR 34696, August 24, 1990; as amended at 57 FR 12202, April 9, 1992; 59 FR 29499, September 21, 1994, as follows: “The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- a. Buyer and seller are typically motivated.
- b. Both parties are well informed or well advised, and acting in what they consider their best interests.
- c. A reasonable time is allowed for exposure in the open market.
- d. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

### Additional Terms and Definitions

Pertinent terms and definitions that may be used throughout the report are included in the addenda to this report for the reader’s reference.

### Pertinent Dates

Effective Date	September 5, 2025
Date of the Report	September 23, 2025
Inspection Date	September 5, 2025

### Competency

In compliance with the requirements of USPAP, the appraisers have the knowledge and experience to complete the appraisal assignment as requested. We have appraised a number of properties such as the subject’s property type in the subject’s geographical area and are qualified to appraise the subject. Please see the Qualifications of the appraisers included in the addenda of this report for additional information.

## Appraisal Process

- On September 5, 2025, Christopher G. Berge inspected the interior and exterior of the subject. The surrounding area was also viewed at that time.
- A site survey was not available to the appraisers. Floor Plans were available but did not indicate the building sizes. The site size was provided by the City of Madison Assessor's Office, while the building sizes were provided by the client.
- Plat and floodplain maps, and public records, including data from the Building, Zoning, and Assessor's offices were reviewed and analyzed.
- Comparable retail sales were researched and analyzed in the area surrounding the subject, as well as current active listings of similar use properties.
- Research and analysis of sales of comparable office buildings for the past four years throughout the State of Wisconsin.
- A survey of office building rentals, found in CoStar, from discussions with local real estate brokers, and in our office files, were researched and analyzed.
- The *PwC Real Estate Investor Survey* was used in researching capitalization rates and average marketing times of the subject's property type.
- Only the sales comparison and income approaches were applied to the subject property to arrive at the indicated value as requested. The cost approach was not applicable, due to the lack of recent, comparable land sales. In addition, investors typically are not purchasing properties of the subject's type based on cost to construct, but on the income they generate.

### **Extraordinary Assumptions**

Extraordinary assumption is defined by the *Uniform Standards of Professional Appraisal Practice (USPAP) 2024 Edition*, published by the Appraisal Foundation as: “An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis, which if found to be false, could alter the appraiser’s opinions or conclusions.”

This analysis uses no extraordinary assumptions.

### **Hypothetical Conditions**

Hypothetical condition is defined by the *Uniform Standards of Professional Appraisal Practice (USPAP) 2024 Edition*, published by the Appraisal Foundation as: “A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.”

**The subject buildings are both legally situated on a single tax key and could not be sold separately based on their current legal configuration. At the client’s request, separate values are provided for each building and the pro-rata share of the underlying land. The allocation to each building is based on the prorated share of the combined value opinion, based on each building’s gross building area. The allocated value opinions in this report rely on the hypothetical condition that the buildings are able to be legally sold separately as of the effective date of value.**

This analysis uses no other hypothetical conditions.

### **Environmental Issues**

No environmental survey was available for review. It is assumed that the subject site is not contaminated. However, the appraisers are not environmental experts. Therefore, it is assumed that no adverse environmental conditions affect the subject.

## TAX AND ASSESSMENT DATA

Real Estate Taxes Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin			
Tax Key	0709-133-2701-5	0709-133-2711-4	0709-133-2712-2
Assessment	2024	2024	2024
Land	\$0	\$0	\$0
Improvements	\$0	\$0	\$0
Total	\$0	\$0	\$0
Equalization Ratio	99.23%	99.23%	99.23%
Equalized Value	\$0	\$0	\$0
Millage Rate	\$17.7030	\$17.7030	\$17.7030
Real Estate Taxes	\$0.00	\$0.00	\$0.00
Special Assessment	\$0.00	\$0.00	\$0.00
Total	\$0	\$0	\$0
Estimated Real Estate Taxes	\$798,405		

The subject property is owned by the State of Wisconsin and is therefore tax exempt. If the property was purchased by a for-profit, non-government entity the subject would become taxable and is projected to have an assessment similar to the opinion of value of this appraisal report. The estimated real estate taxes above are based on the concluded value opinion of this report, the 2024 effective tax rate for the city of Madison and the 2024 equalization rate.

## SALES HISTORY OF THE SUBJECT

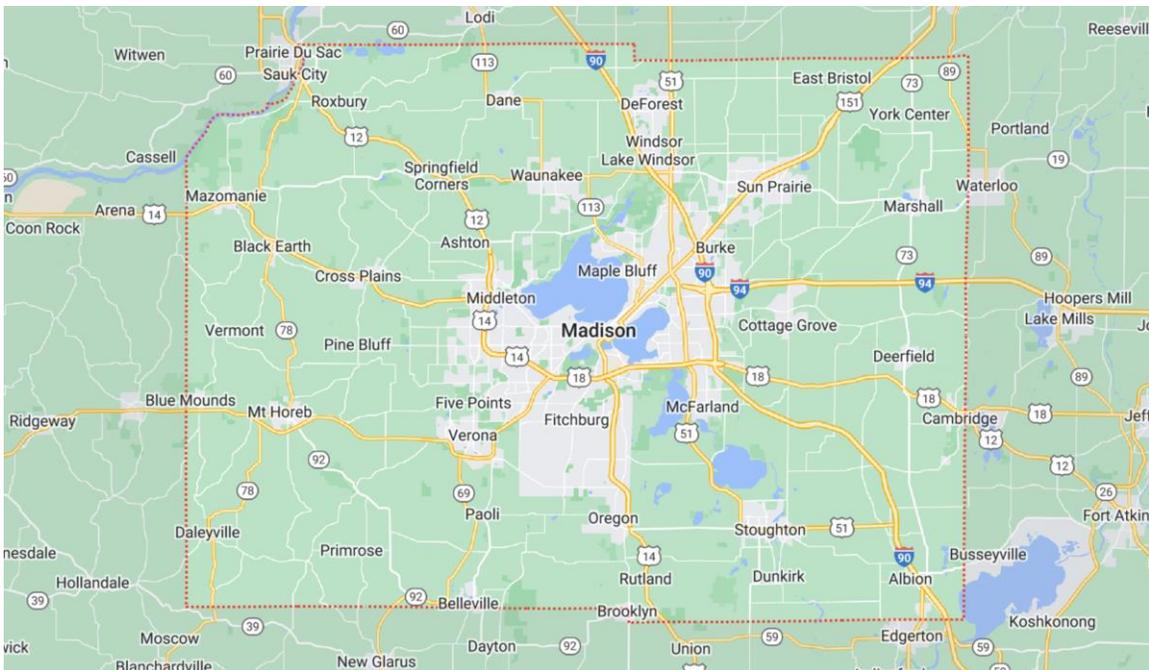
The state of Wisconsin is currently in the beginning phases of putting the subject property up for sale, but there are no known sales, listings, contracts, offers, or options affecting the subject at this time or in the past three years.



### AREA ANALYSIS

Dane County is in south central Wisconsin covering approximately 1,200 square miles and containing 26 cities and villages. Outside of Madison and the surrounding communities, Dane County is primarily agricultural in nature. The two major cities nearby are Milwaukee and Chicago. Milwaukee is about one hour away, and Chicago is about two hours away (driving).

Madison is Wisconsin’s second largest city, the State Capital, home of the University of Wisconsin Madison, and the County Seat for Dane County. It is in the middle of Dane County and occupies a physically attractive setting on rolling topography set among four major lakes.



The City of Madison was name in the Top 100 Best Places to Live by Livability.com.



**Madison, WI**

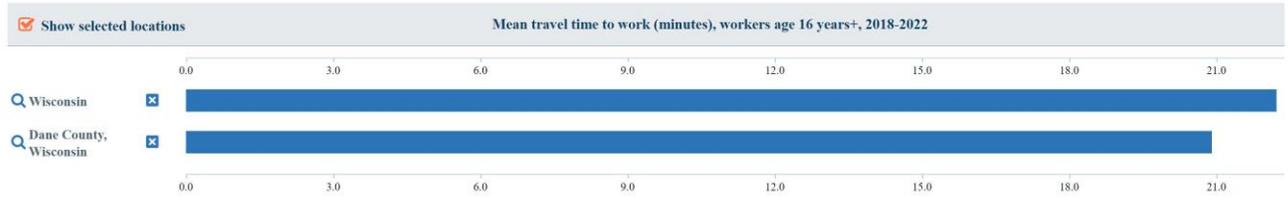
**BEST PLACES TO LIVE IN THE U.S. IN 2024**

Madison is a natural escape, nestled between two lakes and dotted with more than 200 hiking and biking trails. School spirit runs deep here, and the college town is known for its vibrant arts and music scene, farm-to-table culinary scene and commitment to sustainability.

## Transportation

According to the United States Census Bureau, the average Dane County one-way commute time to work is 20.9 minutes, which is a bit quicker than Wisconsin as a whole.

Chart



Madison and Dane County constructed the Beltline Highway system to ring the city. The Beltline Highway around the east, south, and west sides of the city provides much more efficient traffic circulation in these peripheral areas.

There are construction projects ongoing and/or planned throughout the county with a couple explained here. They are lengthening the left turn lanes on US 14 and Deming Way. Roundabouts are being put in on US 51 by County Hwy B and AB. Both of those projects will wrap up in 2024.

In Madison specifically, car sharing is available from Zipcar and RelayRides. You see a high walk and bike score with a mid-range transit score from walkscore.com. Errands, shopping, parks, groceries and entertainment are easily walked to within downtown Madison. With a high bike score, daily errands can be easily accomplished on a bike and is convenient for most trips.

Walk Score

84

Very Walkable

Most errands can be accomplished on foot.

can

Transit Score

50

Good Transit

Many nearby public transportation options.

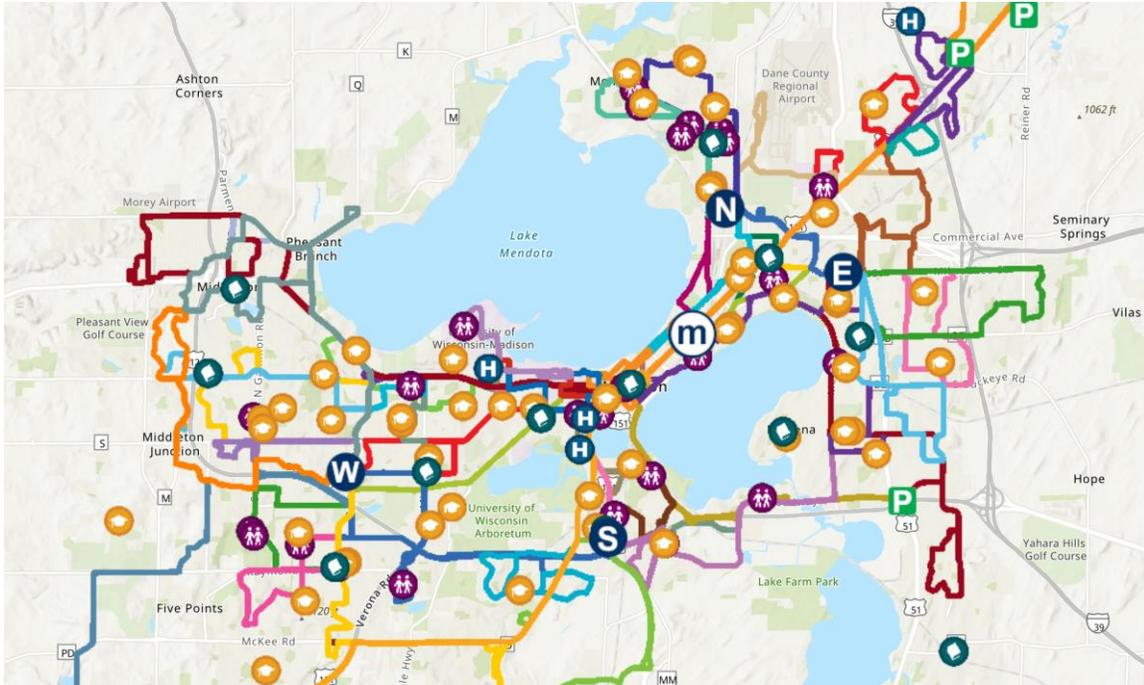
Bike Score

92

Biker's Paradise

Daily errands can be accomplished on a bike.

When driving does not work, buses are extremely convenient using the City of Madison Metro Transit, a map of routes is shown below. This bus line covers the City of Madison as well as Dane County Regional Airport, Middleton, Fitchburg, and Sun Prairie amongst other areas. Another popular way to commute is carpool with other people through Lyft or Uber. Finally, people can also use shared bikes through the city to reduce carbon footprints. All the available transportation provided makes traveling in the area very accessible.



## Population

According to census within the state of Wisconsin, in a July 1, 2023 estimate, there is a total resident population of 5,910,955. Dane County estimated there are 575,347 residents, shown below.

Population	Dane County, Wisconsin	Wisconsin
<b>Population estimates, July 1, 2023, (V2023)</b>	<b>575,347</b>	<b>5,910,955</b>
<b>PEOPLE</b>		
<b>Population</b>		
<b>Population estimates, July 1, 2023, (V2023)</b>	<b>575,347</b>	<b>5,910,955</b>
Population estimates base, April 1, 2020, (V2023)	561,508	5,893,713
Population, percent change - April 1, 2020 (estimates base) to July 1, 2023, (V2023)	2.5%	0.3%
Population, Census, April 1, 2020	561,504	5,893,718
Population, Census, April 1, 2010	488,073	5,686,986

## Housing

There is a total of 265,182 occupied dwelling units according to the estimate in July 2023, or about 9.5% of the state’s housing units. The median gross rent and the median monthly owner costs in this area are both higher than that in the state. The median home value is \$342,900.

Housing	Dane County, Wisconsin	Wisconsin
<b>Housing Units, July 1, 2023, (V2023)</b>	<b>265,182</b>	<b>2,787,556</b>
<b>PEOPLE</b>		
<b>Housing</b>		
<b>Housing Units, July 1, 2023, (V2023)</b>	<b>265,182</b>	<b>2,787,556</b>
Owner-occupied housing unit rate, 2018-2022	57.9%	67.7%
Median value of owner-occupied housing units, 2018-2022	\$342,900	\$231,400
Median selected monthly owner costs -with a mortgage, 2018-2022	\$2,045	\$1,602
Median selected monthly owner costs -without a mortgage, 2018-2022	\$848	\$624
Median gross rent, 2018-2022	\$1,268	\$992
Building Permits, 2023	5,012	21,494

### Education

The largest public-school districts in the area are the Madison Metropolitan School District (MMSD), Sun Prairie Area School District, Middleton-Cross Plans Area School District, Verona Area School District, McFarland School District, and Waunakee Community School District. Below, the map shows some of the MMSD locations. Many options are also present for private schools including Isthmus Montessori Academy, Madison County Day School, Eagle School, and St. Ambrose Academy to name a few.

There are many choices for a college education in the area as well including the University of Wisconsin – Madison, Edgewood College, and Madison Area Technical College, as some of the most popular choices.



Education	Dane County, Wisconsin	Wisconsin
<b>Housing Units, July 1, 2023, (V2023)</b>	265,182	2,787,556
<b>PEOPLE</b>		
<b>Education</b>		
High school graduate or higher, percent of persons age 25 years+, 2018-2022	96.0%	93.1%
Bachelor's degree or higher, percent of persons age 25 years+, 2018-2022	54.0%	32.0%

At least 54% percent of the Dane County population over the age of 25 has a bachelor’s degree, well above the state average of 32%.

**Employment and Industry**

Major companies headquartered in the area include the University of Wisconsin-Madison, Epic Systems Corp, American Family Insurance, Sub-Zero, CUNA Mutual Group, TDS Telecommunications Corp, and WPS Health Insurance. These companies and their supporting businesses, as well as the many other large and small companies operating in the area provide for stability as a business community, as well as providing employment for the population.

According to a report in April 2024, the employment situation in the area has improved. The overall trend shows low unemployment, which states that the job situation in the area is stable. Dane County has the lowest unemployment in the state.

Local Unemployment Rates  
COUNTIES  
 Ascending Order

COUNTY	Apr - 24 RATE	Mar - 23 RATE	Mar - 22 RATE	COUNTY	Apr - 24 RATE	Mar - 23 RATE	Mar - 22 RATE
Dane	2.2	1.6	2.2	Jefferson	2.7	2.3	3.0
Calumet	2.3	1.7	2.4	Sauk	2.7	2.3	3.0
Ozaukee	2.4	1.8	2.3	Manitowoc	2.8	2.6	3.0
Sheboygan	2.4	1.8	2.5	Portage	2.9	2.4	3.2
Outagamie	2.5	1.9	2.6	Walworth	2.9	2.5	3.1
Columbia	2.5	2.0	2.9	Juneau	3.0	2.8	3.7
Fond du Lac	2.5	2.0	2.7	Rock	3.3	2.9	3.8
Dodge	2.5	2.2	2.8	Kenosha	3.4	2.8	3.5
Winnebago	2.6	1.9	2.5	Wood	3.5	2.9	3.6
Waukesha	2.6	2.0	2.5	Racine	3.7	2.9	3.8
Brown	2.7	2.1	2.7	Milwaukee	3.8	2.8	3.7
Marathon	2.7	2.1	2.6	Adams	4.7	5.4	5.8

## County Workforce Profile

2025 Dane County Profile

### State Narrative for County Profiles

Wisconsin's labor market experienced a strong year in 2024. Employment reached record levels, inflation appeared on the wane, and interest rates are accommodating a largely reconstructed supply chain. In addition, real wages turned positive, and consumer spending was robust.

The primary challenge still facing the future economic construct is the labor quantity challenge and its broader economic impacts.

#### Wisconsin Jobs

The 2024 employment picture was favorable for Wisconsin, reaching new records in December at 3,076,500. The state's low unemployment rates were also noteworthy registering 3.0% or below the entire year. Although setting new records is always a good sign, new highs in employment would be expected through new expansionary economic periods.

Total non-farm employment also reached new highs, climbing through the year to peak in August at a seasonally adjusted basis of 3,048,000 and consolidating high levels through the remainder of the year, ending in December at 3,042,100. That marks a 1.6% increase over the pre-pandemic highs set in December 2019.

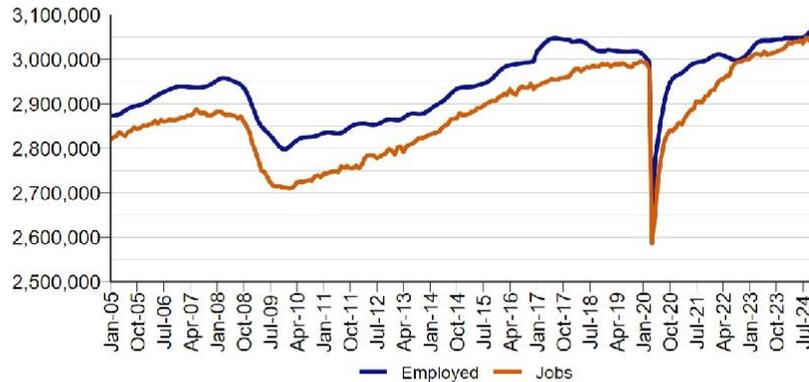


Figure 1: Wisconsin employment and jobs.

**Economy**

Wisconsin Gross Domestic Product (WGDP) reached new highs in nominal and real dollar terms in 2024<sup>1</sup>, at \$456 billion or \$357 billion in real 2017 dollars. After a slower recovery coming out of the COVID-19 recession, Wisconsin’s GDP growth rate has mimicked that of the country.

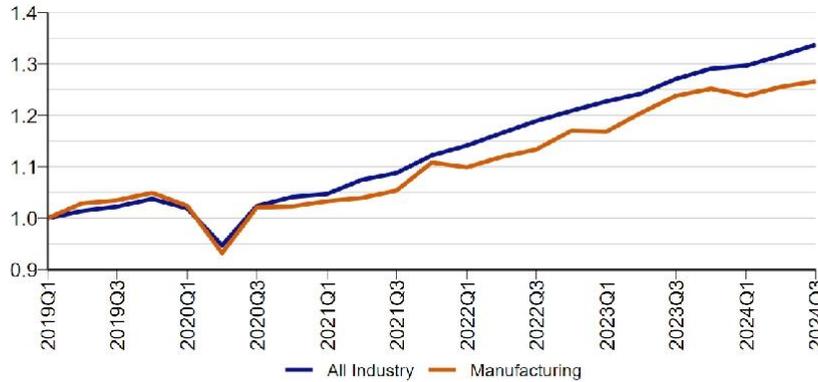


Figure 2: GDP growth index (2019Q1 = 100).

Many industry sectors were vibrant. Construction industry jobs hit new records, surpassing 140,000. Healthcare jobs also set new highs at 324,200. The leisure and hospitality sector recovered almost all the nearly 50% loss of jobs experienced during the COVID-19 recession, finishing with 285,200 jobs. Manufacturing jobs rose above 2023 levels to 481,200, but have not yet returned to pre-Covid19 levels.

Wisconsin ranks first in the number of manufacturing jobs per government job and second in manufacturing jobs share of total jobs. However, state-level manufacturing output was relatively weak against overall economic output. Two of the state’s primary manufacturing industries, fabricated metal and machinery manufacturing, lost jobs through 2024. Fabricated metal manufacturing jobs peaked in July 2019, before the COVID-19 recession at 79,400 jobs, and ended 2024 with 74,300. Machinery manufacturing peaked in early 2023 with 68,800 jobs and finished 2024 with 67,200.

<sup>1</sup>Third quarter 2024 is latest data available.

2025 Dane County Profile

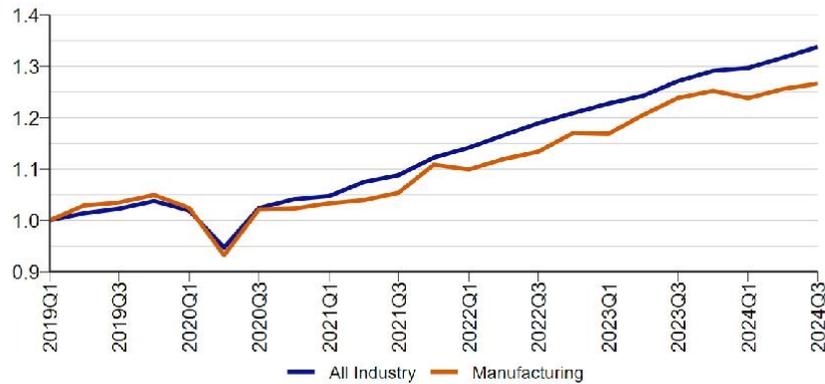


Figure 3: Wisconsin all industry v manufacturing growth (2019Q1 = 100).

While the durable goods manufacturing sector saw declines, non-durable goods manufacturing in Wisconsin has made headway. Jobs in the non-durables industries have increased since the pre-Covid high of 198,600 in July of 2019, to 201,000 in December 2024. Most of that has occurred in the food processing industry.

### Labor Quantity Challenges

Employers continue to express challenges finding workers. This situation is being felt in all industries and most occupations – locally, regionally, and globally. Even China is experiencing population and workforce declines. Industries that are showing steady job growth, such as construction and healthcare, are limited by the number of workers available for positions.

As noted in studies dating back to 2000, there are not sufficient numbers of young workers to fill the jobs being vacated by the generation of baby boomers and the increased demand for workers associated with economic growth. The number of workers entering the labor market is essentially the same as the boomers exiting. A growing economy necessitates an increasing labor force or at least a more productive one. Wisconsin’s labor force growth has remained close to zero.

The new high in Wisconsin’s labor force reached in December 2024 of 3,170,300 is only 0.63% above the previous high in July 2017 and only 0.83% above the peak before that in June of 2009. That amounts to an annual average labor force growth rate of 0.08% per year, or about zero over 15 years.

2025 Dane County Profile

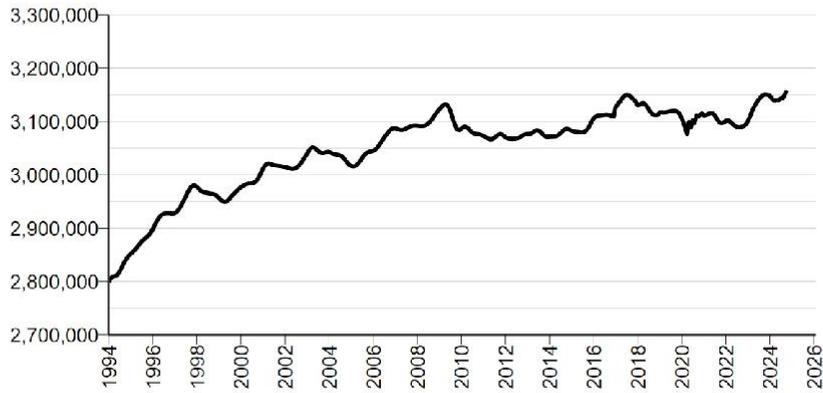


Figure 4: Wisconsin labor force.

This shift has long been anticipated and is well documented. The front edge of the baby boomers turned 63 years old in 2009. By 2024, the back edge of the boomers (those born in 1964) were 60 years old. And while the labor force participation rates of workers 65 and older has increased since the 1990s, the remaining tenure of the boomers is short.

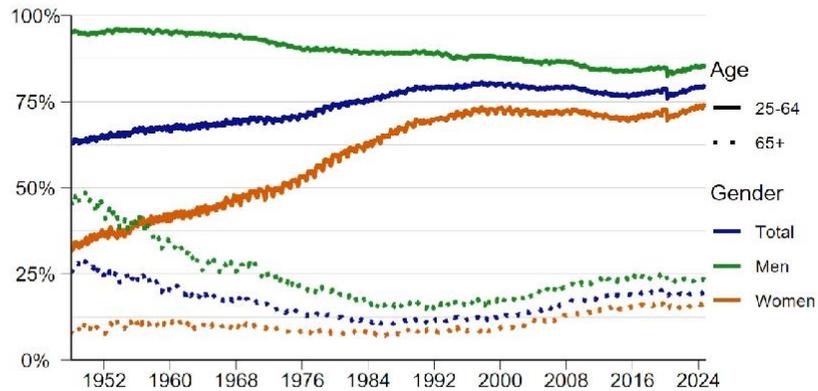


Figure 5: US labor force participation rate.

Below is a graph of Wisconsin's population and labor force projected out to 2040 based on the latest information from the Wisconsin Department of Administration Demographic Services. On a decennial basis, Wisconsin's population has already peaked. This suggests that the workforce will not experience substantial growth moving forward.



2025 Dane County Profile

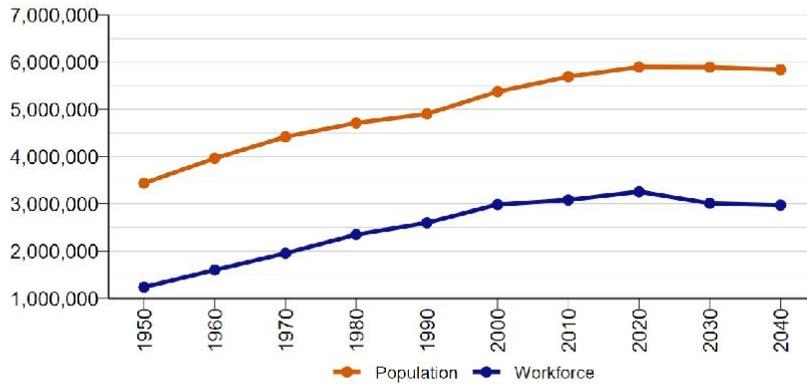


Figure 6: Wisconsin population and workforce projections.

While the overall situation has been realized for some time, the actual quantity of the shortfall has been undetermined until now. Staff at the Wisconsin Department of Workforce Development's Office of Economic Advisors estimate that by 2031, the state could face a labor shortage exceeding 241,000 workers. (See Labor Supply Projections for Wisconsin 2020 – 2040, Winters, Kaur, and Otis, [Labor Supply Projections for Wisconsin](#)). Wisconsin is projected to be over 241,000 workers short by 2031.

**New Construct**

Human resource constraints affect the entire economic construct. As one of the three primary components of economic inputs – along with natural resources and capital – a compromise in the abundance of labor permeates the economy. Having never encountered a labor constraint before, it needs to be noted – old models and old policies do not apply.

Moreover, the labor quantity challenge is a macroeconomic phenomenon. It cannot be remedied with microeconomic solutions. Microeconomic attraction and retention incentives of higher wages, better benefits, early exposure, and more are, at best, short-term and limited symptom remedies.

Jobs will go unfilled. Macroeconomic solutions to the challenge include: 1. A workable immigration policy 2. Reducing barriers to employment (see [2023 Wisconsin County Profiles](#)) 3. Expanding trade 4. Technology infusion

Altering a fundamental input of the macroeconomic construct will impact all sectors. The limited and shifting human resource segment will alter income streams, change demand for goods and services, and affect the provision of public goods and services.

Wisconsin's economic health and vigor has been illustrated in the employment and jobs data. However, record low unemployment rates signify two usually unassociated yet coupled performance indicators. On the one hand, low unemployment rates indicate an engaged labor force – a relatively



2025 Dane County Profile

large numerator. On the other hand, in today’s environment, low unemployment rates indicate a scarce labor force – a relatively small denominator.

This is an unprecedented situation – and it is not likely to resolve itself quickly.

Yet to be explored are how the limited labor pool and aging population effects other critical economic drivers, such as personal income, as a significant portion of the population (Baby Boomers) shifts to transfer payments that are fixed in real dollar terms, housing stock, dependency ratios, and fiscal balances.

One major unknown on the horizon are the effects that Artificial Intelligence (AI) will have on the future of economic and workforce development. The Governor’s Task Force on Workforce and Artificial Intelligence Advisory Action Plan ([dwd.wisconsin.gov/ai-taskforce/pdf/ai-advisory-action-plan.pdf](http://dwd.wisconsin.gov/ai-taskforce/pdf/ai-advisory-action-plan.pdf)) outlines some of the expected effects of AI. For example, the chart below sheds some light on the extent that occupations may be affected by AI.

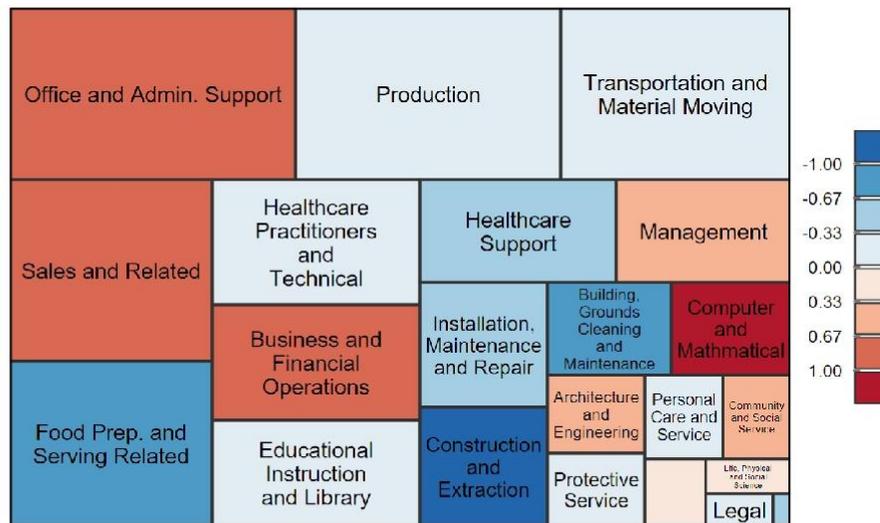


Figure 7: AI exposure per occupation group by number employed.

Fundamental changes are in store for Wisconsin’s economy due primarily to two new influencers: workforce constraints and artificial intelligence technology. The degree to how each will affect the other and the whole is yet to be determined.

## Population and Demographics

	2020 Census	2023 Final Estimate	Numeric Change	Percent Change
Madison, City	274,686	286,785	12,099	4.4%
Sun Prairie, City	35,967	38,387	2,420	6.7%
Fitchburg, City	30,999	34,019	3,020	9.7%
Middleton, City	21,827	23,476	1,649	7.6%
Waunakee, Village	14,879	16,165	1,286	8.6%
Verona, City	14,030	15,553	1,523	10.9%
Stoughton, City	13,173	13,172	-1	0.0%
Oregon, Village	11,179	11,940	761	6.8%
DeForest, Village	10,811	11,674	863	8.0%
Windsor, Village	8,754	9,758	1,004	11.5%
Dane, County	561,504	590,056	28,552	5.1%
Wisconsin, State	5,893,718	5,951,400	57,682	1.0%

Dane County is the second most populous county in Wisconsin with 590,056 residents. It is also the state’s second fastest-growing county. From 2020 to 2023, the population grew by 5.1%, significantly faster compared to the 1.0% change in Wisconsin. Demographically, Dane County is centered around the city of Madison, which makes up almost half of the county’s population. Madison serves as the metropolitan center not only for Dane County, but many of the surrounding counties.

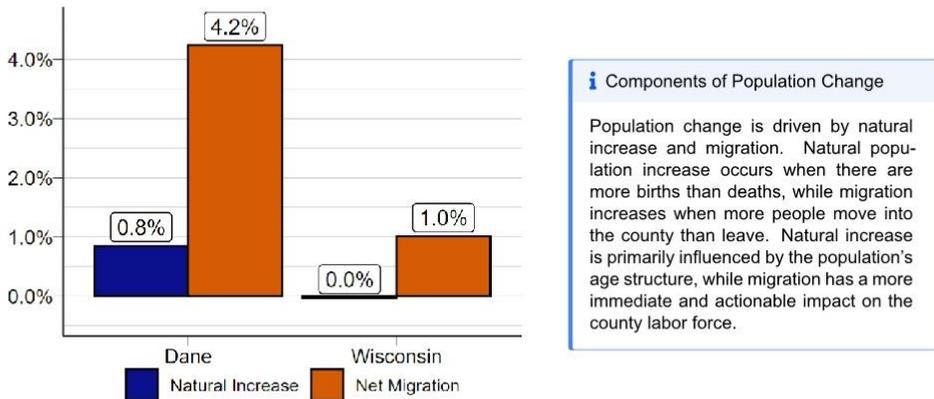


Figure 8: Source: WI Department of Administration.

The fastest-growing municipality in Dane County is the Village of Windsor, which added 1,004 people, for a 11.5% growth rate. Fitchburg and Verona are the second- and third-fastest growing municipalities in the county. All these municipalities are suburbs of the Madison metropolitan area. This growth is likely due to housing availability outside of Madison while still having close access to the city’s amenities and employment opportunities.

2025 Dane County Profile

Dane County's population growth in terms of natural increase was 0.8%, ranking third in the state. Net migration was 4.2%, ranking second in the state. As one of the fastest-growing counties, Dane County has been able to attract residents with its large and quickly growing economy in industries like health care, scientific research, insurance and computer software. These residents appear to be staying and starting families, as Dane County's rate of natural increase is also substantially higher than the state's.

Population Projections

	2020	2030	2040	2050	2020-2050 Population Change
Dane	561,504	627,215	703,535	779,265	38.8%
Wisconsin	5,893,718	5,890,915	5,841,620	5,710,120	-3.1%

Source: Demographic Services Center, Wisconsin Department of Administration.

According to the prediction by the Wisconsin Department of Administration's Demographic Services Center, Dane County is predicted to increase by 38.8% from 2020 to 2050, the fastest rate of growth for any Wisconsin county. This is evidence for Dane County's growing economy and its destination as a place to live. However, while this predicted growth is a positive sign for Dane County's labor market, it may lead to growing pains in housing.



## Employment by Industry

	2023 Avg Monthly Employment	5-year Change	5-year % Change	% of Total Employment
Total, All Industries	353,099	16,871	5.0%	100.0%
Education and Health Services	96,595	11,248	13.2%	27.4%
Trade, Transportation, and Utilities	53,259	-699	-1.3%	15.1%
Professional and Business Services	46,833	-2,718	-5.5%	13.3%
Leisure and Hospitality	34,453	804	2.4%	9.8%
Manufacturing	26,925	2,425	9.9%	7.6%
Financial Activities	22,589	614	2.8%	6.4%
Public Administration	21,611	191	0.9%	6.1%
Information	19,480	3,492	21.8%	5.5%
Construction	17,796	1,522	9.4%	5.0%
Other Services	11,006	-332	-2.9%	3.1%
Natural Resources and Mining	2,553	324	14.5%	0.7%

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics.

Dane County employment added 16,871 jobs (5.0%) from 2018 to 2023. Average employment levels were at 353,099 jobs in 2023. The largest industry was education and health services, accounting for 27.4% of employment in the county in 2023. While education and health services are often a large portion of employment – this industry accounts for 22.4% statewide – the county has a noticeably higher share of employment in this industry. Madison is home to the University of Wisconsin’s flagship campus as well as its associated hospital system. The hospital subsector added the most jobs of any subsector, growing by 4,345 jobs over this period.

The information industry is the fastest growing in Dane County, adding 3,492 jobs for a 21.8% growth rate from 2018 to 2023. Dane County is an outlier compared to the state, where the information industry slightly declined slightly at a rate of 0.3%. One of the biggest employers in this industry is Epic Systems, a national leader in software for healthcare systems. This industry can take advantage of the county’s relatively highly educated workforce.

## Unemployment

Dane County's monthly average unemployment rate in 2023 was 2.3%, compared to the state's rate of 3.0%. Dane County has the lowest rate of unemployment in the state and has consistently had a significantly lower rate than the state overall.

This low unemployment rate is partially driven by the level of educational attainment in Dane County; there is a known negative correlation between unemployment and educational attainment. A full 53.9% of its residents aged 25 and older have a bachelor's degree or higher, much higher than the 33.8% for Wisconsin overall, according to the Census Bureau American Community Survey 1-Year, 2023.

### Unemployment Rate

The unemployment rate is the percentage of people who are not working but actively looking for work compared to the total number of people in the labor force.

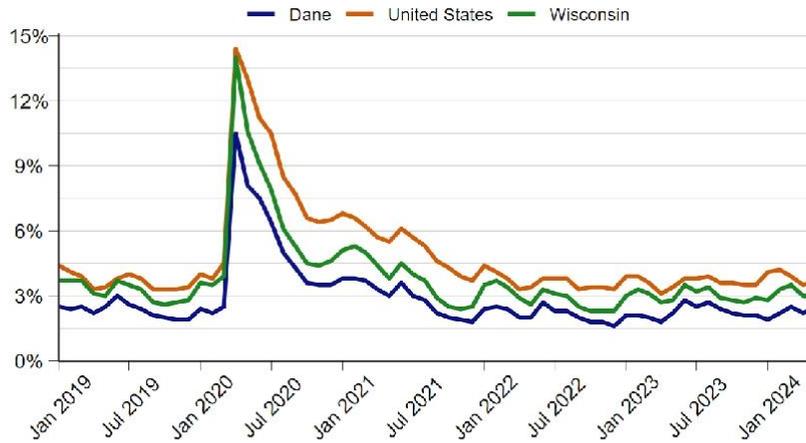


Figure 9: Source: Local Area Unemployment Statistics (LAUS), Bureau of Labor Statistics.

## Labor Force Participation

Dane County's labor force participation rate (LFPR) was 69.8%, ranking seventh in the state in 2023. The higher labor force participation rate is likely driven by the county having a younger labor force than the state. However, the county faces the same downward trend in LFPR as the state. Dane County may be younger than the state overall, the population is still aging. With its strong level of net migration, the county may be able to ameliorate some of the workforce shortages which come with an aging population.

### i Labor Force Participation Rate

The labor force participation rate (LFPR) looks at the relative labor resources available and is expressed as the percentage of the civilian noninstitutional population 16 years and older that is working or actively looking for work.

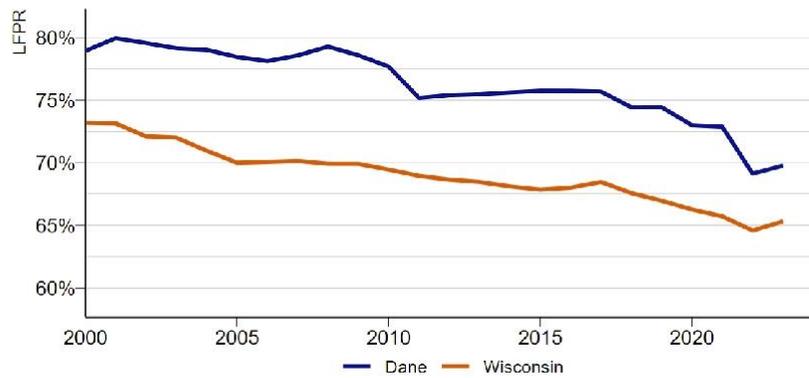


Figure 10: Source: WI Department of Workforce Development Office of Economic Advisors.

## AI Impact

Occupation	Employment	% of Total Employment	AI Exposure Index
Fast Food and Counter Workers	11,110	2.3%	-1.00
Retail Salespersons	10,730	2.2%	0.40
Cashiers	10,680	2.2%	0.89
Registered Nurses	10,320	2.2%	0.04
Customer Service Representatives	8,830	1.8%	0.75
Laborers and Freight, Stock, and Material Movers, Hand	8,700	1.8%	-0.78
Office Clerks, General	7,700	1.6%	1.00
Stockers and Order Fillers	7,360	1.5%	-0.05
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	7,010	1.5%	-1.27
Waiters and Waitresses	6,160	1.3%	-0.78

Source: Governor’s Task Force on Workforce and Artificial Intelligence.

**i AI Exposure**

AI exposure, as computed by the Governor’s Task Force on Workforce and Artificial Intelligence, is the median value across four different research paper’s measures of exposure after normalizing each paper’s measure to the same mean and variance. A positive value of AI exposure indicates placement in the top 50% of occupations for AI exposure, with higher values indicating greater exposure to AI. Conversely, negative numbers indicate exposure in the bottom 50%. For more information about AI exposure, refer to The Governor’s Task Force on Workforce and Artificial Intelligence Advisory Action Plan ([dwd.wisconsin.gov/ai-taskforce/pdf/ai-advisory-action-plan.pdf](http://dwd.wisconsin.gov/ai-taskforce/pdf/ai-advisory-action-plan.pdf))

Dane is part of the South Central WDA, which also includes Columbia, Dodge, Jefferson, Marquette, and Sauk counties. The largest occupation in the South Central workforce development area is fast food and counter workers, accounting for 2.3% of the area’s employment. This occupation has an artificial intelligence exposure index of -1.00. For context, the occupation with the highest potential AI exposure is bookkeeping, accounting, and auditing clerks, with an AI exposure index of 1.89.

Unlike other waves of automation, these generative AI tools can affect knowledge workers more than others. Dane County has a higher share of these types of workers, as evidenced by the size of industries like financial activities; professional and business services, and information. For example, software developers represent the seventh largest occupation, which has a significantly high AI exposure index of 1.27. As these AI tools can seamlessly integrate into most of a software developer’s tasks, they are a prime example of an occupation which will likely be affected by AI.

## Industry Employment Projections

	Industry	2022 Employment	2032 Projected Employment	Employment Change 2022-2032	% Change 2022-2032
Highest Percent Growth	Information	17,853	21,530	3,677	20.6%
Most Jobs Added	Professional and Business Services	56,016	63,379	7,363	13.1%
Highest Number Employed	Education and Health Services	119,801	126,968	7,167	6.0%
Lowest Percent Growth	Government	36,633	37,319	686	1.9%
Total	Total All Industries	527,186	568,717	41,531	7.9%

Source: WI Department of Workforce Development Office of Economic Advisors.

DWD conducts employment projections for Wisconsin's 11 WDAs every two years. Employment in South Central WDA is expected to increase by 41,531 (7.9%), slightly faster than the state's growth rate of 7.1%.

In the South Central WDA, the information industry is projected to grow at a rate of 20.6% from 2022 to 2032, making it the fastest growing sector. While much of the employment in the information industry is driven by the healthcare software developer Epic Systems, other software developers and publishers in the area are contributing to this growth. Despite not being the fastest-growing industry, professional and business services is expected to add the most jobs in the region. This points to the growing importance of these highly technical and professional industries to the area. In contrast, manufacturing is projected to grow by 4.7% by 2032, putting it at a slower rate than the area as a whole.

For more information and detailed projections results for both occupations and industries, view the WisConomy projections page ([jobcenterofwisconsin.com/wisconomy/pub/projections](http://jobcenterofwisconsin.com/wisconomy/pub/projections)).

## Occupation Employment Projections

	Occupation	2022 Employment	2032 Projected Employment	Employment Change 2022-2032	% Change 2022-2032
Highest Percent Growth	Computer and Mathematical	23,528	27,764	4,236	18.0%
Most Jobs Added	Computer and Mathematical	23,528	27,764	4,236	18.0%
Lowest Percent Growth	Legal	3,481	3,391	-90	-2.6%
Highest Number Employed	Office and Administrative Support	63,491	62,767	-724	-1.1%
Total	Total, All	527,186	568,717	41,531	7.9%

Source: WI Department of Workforce Development Office of Economic Advisors.

Overall employment in the South Central WDA is projected to increase by 41,531, growing at a rate of 7.9%. In the South Central WDA, computer and mathematical occupations are projected to be the fastest growing, increasing at a rate of 18.0% from 2022 to 2032. This gain is driven by the growing information industry in the region as well as the high pay for computer-related occupations and the increasing demand for software-driven business solutions. In addition, the South Central area has a concentration of employers in highly technical industries, like biotechnology or computer systems. These employers take advantage of the highly educated people coming out of the area's colleges. This is also exemplified by the second-fastest growing occupation group: life, physical and social sciences.

While computer and mathematical occupations added the most jobs, a shrinking occupation group can still provide occupational opportunities. For example, total employment in administrative and support occupations are projected to decline. Despite this overall decline, there will still be significant demand to fill positions in that occupation, primarily driven by labor force exits and occupational transfers. This occupations group is projected to have the second-most annual number of openings, with 7,040 openings annually.

## Aging Population

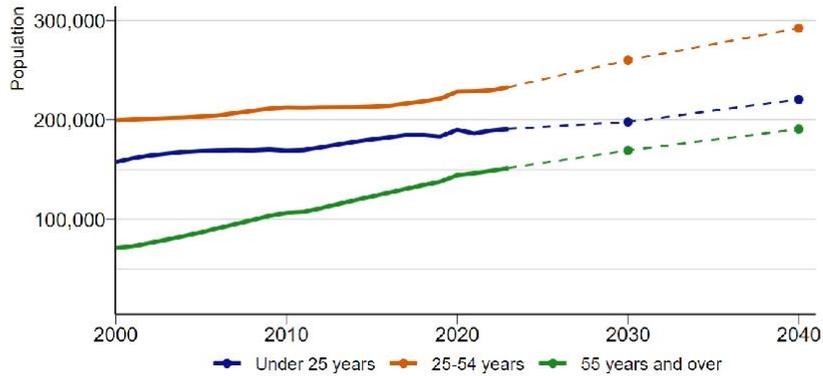


Figure 11: US Census Bureau, Population Estimates Program and WI Department of Administration, Demographic Services Center.

Dane County is relatively young. From 2017 to 2022, the median age in Dane County was 35.5, compared to Wisconsin’s median age of 39.9. Although Dane County is young compared to the state, the population is still growing older. The share of the population age 55 and older was 26.3% in 2023, growing from 22.9% in 2013.

Wisconsin faces a rapidly aging population, which affects communities by reducing the labor force, increasing demand for health care, and raising the number individuals relying on transfer payments. While these issues are not as urgent for Dane compared to other counties, these demographic shifts present challenges and opportunities for policy and workforce planning.

## Personal Income

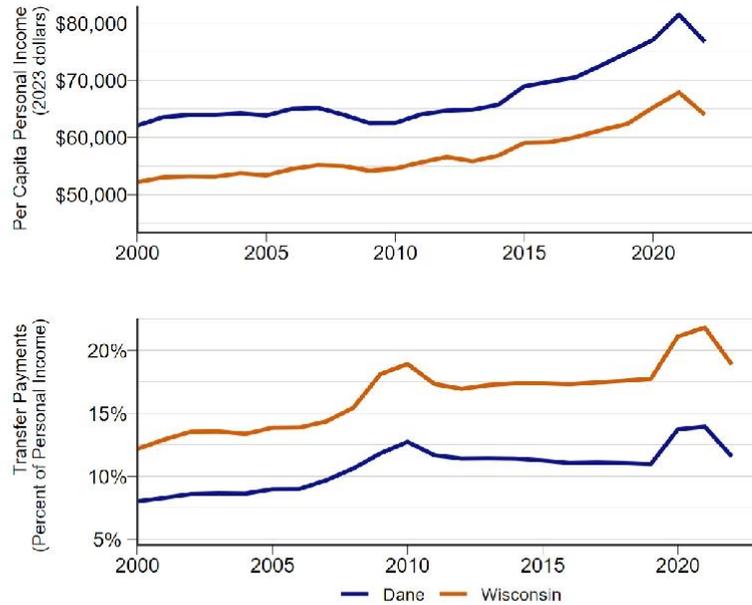


Figure 12: Source: United States Bureau of Economic Analysis.

### **i** Personal Income

Personal income includes income from all sources, such as wages, business income, rental income, investments, and government transfer payments. It excludes capital gains or losses, whether realized or unrealized. All dollar amounts are adjusted for inflation using 2023 dollars.

The per capita personal income in Dane County was \$76,749 in 2022, compared to the statewide average of \$63,996. This has consistently been higher than the state overall; the county has a relatively high concentration of well-paid occupations, like registered nurses or software developers. However, Dane County also has a higher cost of living than the state. For example, a family of two adults, one infant and one school-age child, requires an annual wage of \$92,557 to meet adequate standards, according to The Self-Sufficiency Standard for Wisconsin 2023. These high costs, especially childcare and housing, can act as barriers to employment for some residents, especially mothers.

The percent of income coming from transfer payments can be an indicator of the age of the popu-

*2025 Dane County Profile*

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lation. In total, 11.6% of the county's personal income came from transfer payments as opposed to earned income in 2022. This is noticeably lower than the state, likely a result of the county's relatively lower age. As individuals age, they become eligible for transfer payments from the government, like Social Security. Additionally, transfer payments from programs like Unemployment Insurance can help automatically stabilize the economy during downturns.



## Workforce Pipeline

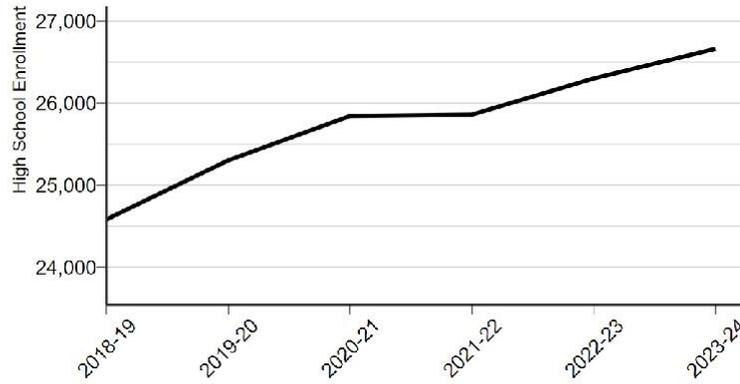


Figure 13: Source: Wisconsin Department of Public Instruction.

Education prepares the next generation of the labor force. As of the 2023-24 school year, 26,660 students were enrolled in grades 9-12. This includes public, private, and home-based schools. County-level totals are determined by the reported enrollment of school district whose main office is located in that county. As school district borders do not necessarily align with county borders, the numbers below may not match the total number of students residing in the county.

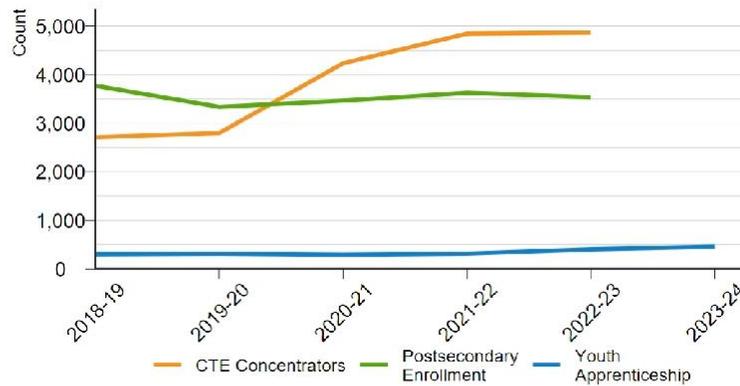


Figure 14: Source: Wisconsin Department of Public Instruction and Department of Workforce Development.



**Career and Technical Education**

Of those attendees, 36.0% were concentrators in career and technical education (CTE), compared to 44.3% for the state during the 2022-23 school year. Participation in CTE has increased dramatically since the 2018-2019 school year. However, as a percentage of eligible students, Dane County has a lower rate of CTE concentrators than Wisconsin overall.

Health and human science is an apt career cluster for CTE concentrators. The Madison metropolitan area, already well-known for its hospital systems, was recently awarded a grant from the U.S. Economic Development Administration to help develop a biohealth tech hub.

**i Career and Technical Education**

Career and technical education (CTE) equips students for both the workforce and postsecondary education through work-based learning opportunities. CTE concentrators are 11th and 12th graders who have passed at least two CTE courses within a specific career pathway. Home-based students are not included in this data.

	CTE Concentrator	Percent of Grade 11 and 12
Dane	4,869	36.0%
Wisconsin	64,124	44.3%

School year 2022-23. Source: Wisconsin Department of Public Instruction.

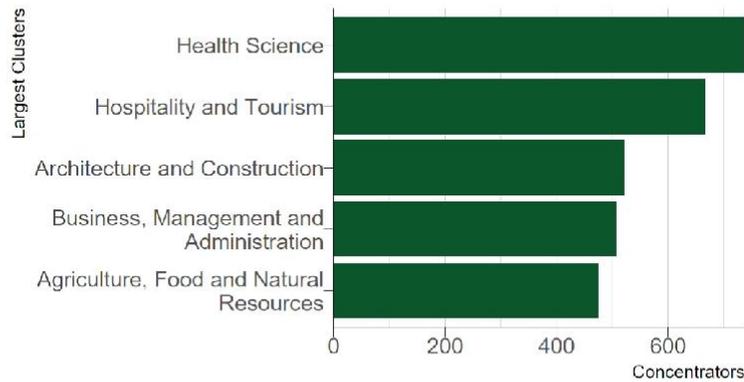


Figure 15: School year 2022-23. Source: Wisconsin Department of Public Instruction.

**Postsecondary Enrollment**

The percentage of high school completers who went on to enroll in a postsecondary institution as a percentage of all 12th grade students in 2022-23 was 50.1%. In Wisconsin, it was 43.6%. Dane County has a plethora of nearby postsecondary institutions for prospective students to choose

2025 Dane County Profile

from. In addition to this convenient access, Dane County has more employment opportunities in industries where higher education is required, like information or healthcare.

**i Postsecondary Enrollment**

Postsecondary enrollment tracks the percentage of high school graduates who attend a postsecondary school (public or private colleges, two- or four-year universities, technical colleges, or training programs) in the fall immediately following graduation. It is important to note that this data may slightly underrepresent actual enrollment due to limitations in how information is matched within the National Student Clearinghouse.

	Postsecondary Enrollment	Percent of Grade 12
Dane	3,536	50.1%
Wisconsin	31,893	43.6%

School year 2022-23. Source: Wisconsin Department of Public Instruction.

**Youth Apprenticeship**

Youth apprenticeship is a program that prepares participants for the workforce through direct, hands-on work experience. There were 403 youth apprentices in Dane County in the 2022-23 school year. Dane County's rate of participation in youth apprenticeship is lower than the state overall. There might be an impression of apprenticeship as a path primarily for trades and manufacturing, but youth apprenticeship is available for a wide variety of occupations and industries. Most youth apprentices in the county are in the health sciences, a natural fit for the large and growing healthcare and biotech industries in this area.

**i Youth Apprenticeship**

Youth Apprenticeship (YA) Program is a school-supervised program that combines work and classroom learning to help high school students prepare for a career. Participants receive on-the-job training directly from the employer. The program helps students explore career paths and helps employers develop a qualified workforce.

	Youth Apprenticeship Participants	Percent of Grade 11 and 12
Dane	403	3.0%
Wisconsin	8,222	5.7%

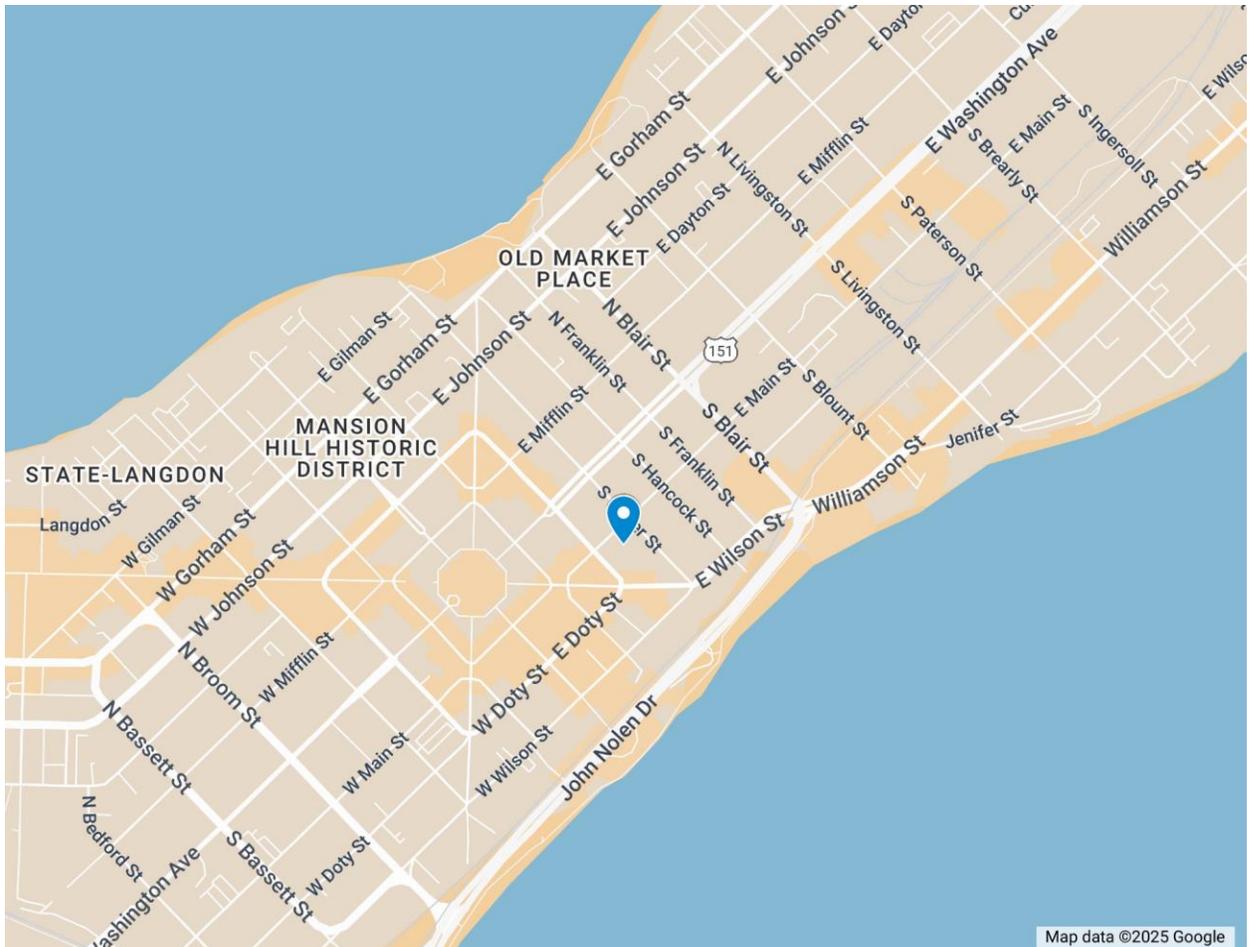
School year 2022-23. Source: Wisconsin Department of Workforce Development.

## NEIGHBORHOOD INFLUENCES

### Location

The neighborhood is located on the isthmus in the city of Madison and within the University of Wisconsin-Madison student housing area.

### Neighborhood Map



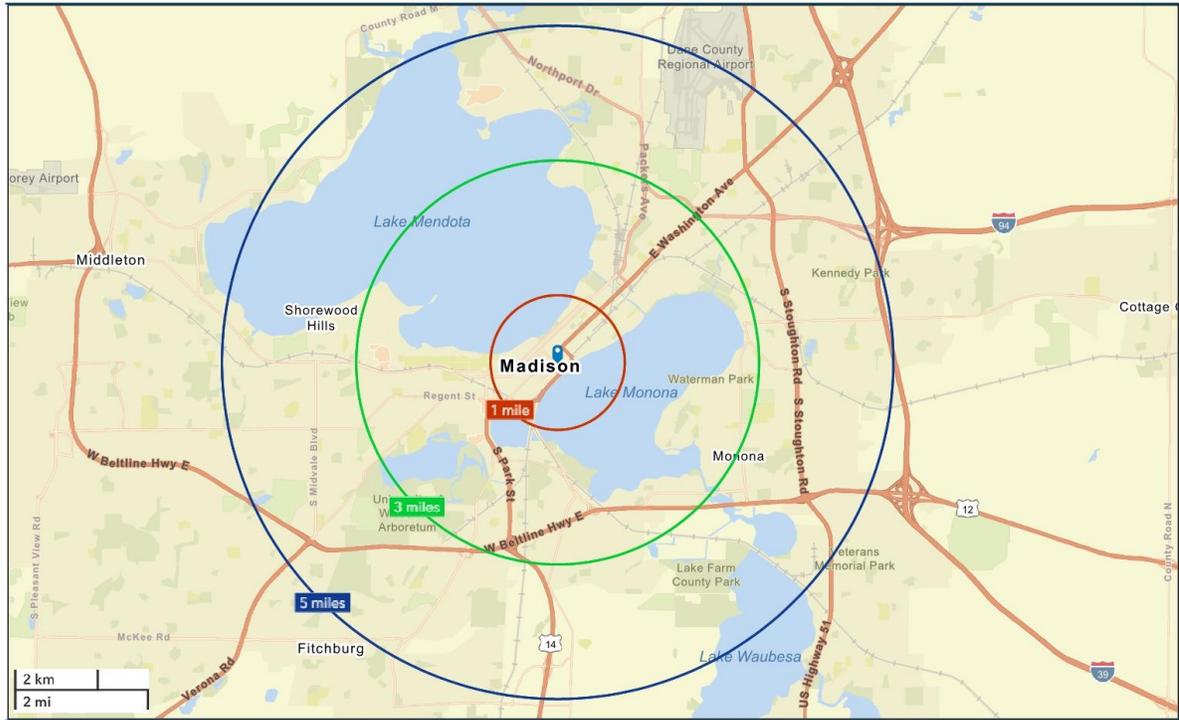
### Boundaries

The neighborhood is considered to be bound by the isthmus and the University of Wisconsin – Madison student housing area.

# Demographics



Map



September 10, 2025

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Page 1 of 1



## Demographic and Income Profile

101 S Webster St, Madison, Wisconsin, 53703  
 101 S Webster St, Madison, Wisconsin, 53703  
 Ring: 1 mile radius

Prepared by Esri  
 Latitude: 43.07517  
 Longitude: -89.37994

Summary	Census 2010	Census 2020	2025	2030
Population	25,859	36,303	38,115	42,223
Households	12,961	18,523	19,792	22,123
Families	1,429	2,932	2,888	3,168
Average Household Size	1.80	1.79	1.77	1.77
Owner Occupied Housing Units	1,465	1,814	1,912	2,066
Renter Occupied Housing Units	11,496	16,709	17,880	20,057
Median Age	24.1	24.5	24.9	25.0
<b>Trends: 2025-2030 Annual Rate</b>	<b>Area</b>	<b>State</b>	<b>National</b>	
Population	2.07%	0.18%	0.42%	
Households	2.25%	0.41%	0.64%	
Families	1.87%	0.23%	0.54%	
Owner HHs	1.56%	0.58%	0.91%	
Median Household Income	2.55%	2.43%	2.53%	
<b>Households by Income</b>		<b>2025</b>	<b>2030</b>	
		Number	Percent	Number
<\$15,000		4,573	23.1%	4,626
\$15,000 - \$24,999		1,831	9.3%	1,824
\$25,000 - \$34,999		1,987	10.0%	1,938
\$35,000 - \$49,999		2,511	12.7%	2,760
\$50,000 - \$74,999		2,927	14.8%	3,332
\$75,000 - \$99,999		1,495	7.6%	1,736
\$100,000 - \$149,999		2,003	10.1%	2,508
\$150,000 - \$199,999		1,179	6.0%	1,640
\$200,000+		1,286	6.5%	1,760
Median Household Income		\$43,574		\$49,414
Average Household Income		\$74,581		\$83,948
Per Capita Income		\$38,743		\$43,970
<b>Population by Age</b>	<b>Census 2010</b>	<b>Census 2020</b>	<b>2025</b>	<b>2030</b>
	Number	Percent	Number	Percent
0 - 4	242	0.9%	931	2.6%
5 - 9	137	0.5%	550	1.5%
10 - 14	129	0.5%	490	1.3%
15 - 19	1,901	7.4%	2,328	6.4%
20 - 24	12,780	49.4%	15,255	42.0%
25 - 34	5,893	22.8%	9,467	26.1%
35 - 44	1,472	5.7%	2,426	6.7%
45 - 54	1,265	4.9%	1,416	3.9%
55 - 64	1,108	4.3%	1,575	4.3%
65 - 74	446	1.7%	1,066	2.9%
75 - 84	251	1.0%	469	1.3%
85+	235	0.9%	331	0.9%

**Data Note:** Income is expressed in current dollars.

**Source:** Esri forecasts for 2025 and 2030. U.S. Census Bureau 2020 decennial Census in 2020 geographies.

September 10, 2025



## Demographic and Income Profile

101 S Webster St, Madison, Wisconsin, 53703  
 101 S Webster St, Madison, Wisconsin, 53703  
 Ring: 3 mile radius

Prepared by Esri  
 Latitude: 43.07517  
 Longitude: -89.37994

Summary	Census 2010	Census 2020	2025	2030
Population	94,626	112,090	116,603	123,352
Households	41,610	50,420	53,664	57,672
Families	13,390	15,976	15,994	16,773
Average Household Size	2.05	1.99	1.95	1.93
Owner Occupied Housing Units	13,762	14,534	15,124	15,998
Renter Occupied Housing Units	27,848	35,886	38,540	41,674
Median Age	25.9	26.5	27.3	27.4
<b>Trends: 2025-2030 Annual Rate</b>	<b>Area</b>	<b>State</b>	<b>National</b>	
Population	1.13%	0.18%	0.42%	
Households	1.45%	0.41%	0.64%	
Families	0.96%	0.23%	0.54%	
Owner HHs	1.13%	0.58%	0.91%	
Median Household Income	2.03%	2.43%	2.53%	
<b>Households by Income</b>			<b>2025</b>	<b>2030</b>
			Number	Percent
<\$15,000			8,237	15.3%
\$15,000 - \$24,999			4,297	8.0%
\$25,000 - \$34,999			5,043	9.4%
\$35,000 - \$49,999			6,104	11.4%
\$50,000 - \$74,999			8,357	15.6%
\$75,000 - \$99,999			5,392	10.0%
\$100,000 - \$149,999			7,132	13.3%
\$150,000 - \$199,999			4,156	7.7%
\$200,000+			4,946	9.2%
Median Household Income			\$60,397	\$66,785
Average Household Income			\$91,286	\$101,157
Per Capita Income			\$42,081	\$47,339
<b>Population by Age</b>	<b>Census 2010</b>	<b>Census 2020</b>	<b>2025</b>	<b>2030</b>
	Number	Percent	Number	Percent
0 - 4	3,649	3.9%	4,183	3.7%
5 - 9	3,035	3.2%	3,534	3.2%
10 - 14	2,697	2.9%	3,426	3.1%
15 - 19	10,046	10.6%	13,087	11.7%
20 - 24	25,851	27.3%	27,634	24.7%
25 - 34	18,054	19.1%	22,809	20.3%
35 - 44	8,954	9.5%	11,121	9.9%
45 - 54	8,763	9.3%	8,067	7.2%
55 - 64	7,913	8.4%	8,274	7.4%
65 - 74	3,069	3.2%	6,609	5.9%
75 - 84	1,722	1.8%	2,336	2.1%
85+	872	0.9%	1,011	0.9%

**Data Note:** Income is expressed in current dollars.

**Source:** Esri forecasts for 2025 and 2030. U.S. Census Bureau 2020 decennial Census in 2020 geographies.

September 10, 2025



## Demographic and Income Profile

101 S Webster St, Madison, Wisconsin, 53703  
 101 S Webster St, Madison, Wisconsin, 53703  
 Ring: 5 mile radius

Prepared by Esri  
 Latitude: 43.07517  
 Longitude: -89.37994

Summary	Census 2010	Census 2020	2025	2030
Population	181,198	204,405	212,404	222,330
Households	79,264	91,541	96,979	103,038
Families	34,927	38,343	38,574	40,172
Average Household Size	2.16	2.09	2.06	2.03
Owner Occupied Housing Units	36,206	37,268	38,877	40,839
Renter Occupied Housing Units	43,058	54,273	58,102	62,200
Median Age	29.9	30.7	31.7	31.9
<b>Trends: 2025-2030 Annual Rate</b>	<b>Area</b>	<b>State</b>	<b>National</b>	
Population	0.92%	0.18%	0.42%	
Households	1.22%	0.41%	0.64%	
Families	0.82%	0.23%	0.54%	
Owner HHs	0.99%	0.58%	0.91%	
Median Household Income	2.49%	2.43%	2.53%	
<b>Households by Income</b>			<b>2025</b>	<b>2030</b>
			Number	Percent
<\$15,000			11,341	11.7%
\$15,000 - \$24,999			6,663	6.9%
\$25,000 - \$34,999			7,961	8.2%
\$35,000 - \$49,999			10,809	11.1%
\$50,000 - \$74,999			15,566	16.1%
\$75,000 - \$99,999			11,177	11.5%
\$100,000 - \$149,999			15,233	15.7%
\$150,000 - \$199,999			8,610	8.9%
\$200,000+			9,617	9.9%
Median Household Income			\$68,298	\$77,218
Average Household Income			\$98,679	\$109,960
Per Capita Income			\$45,186	\$51,077
<b>Population by Age</b>	<b>Census 2010</b>	<b>Census 2020</b>	<b>2025</b>	<b>2030</b>
	Number	Percent	Number	Percent
0 - 4	9,716	5.4%	9,445	4.6%
5 - 9	8,148	4.5%	8,789	4.3%
10 - 14	7,235	4.0%	8,511	4.2%
15 - 19	14,551	8.0%	17,628	8.6%
20 - 24	31,815	17.6%	33,216	16.3%
25 - 34	33,830	18.7%	39,389	19.3%
35 - 44	20,218	11.2%	24,598	12.0%
45 - 54	20,891	11.5%	18,385	9.0%
55 - 64	18,721	10.3%	19,637	9.6%
65 - 74	8,565	4.7%	15,934	7.8%
75 - 84	5,200	2.9%	6,364	3.1%
85+	2,309	1.3%	2,509	1.2%

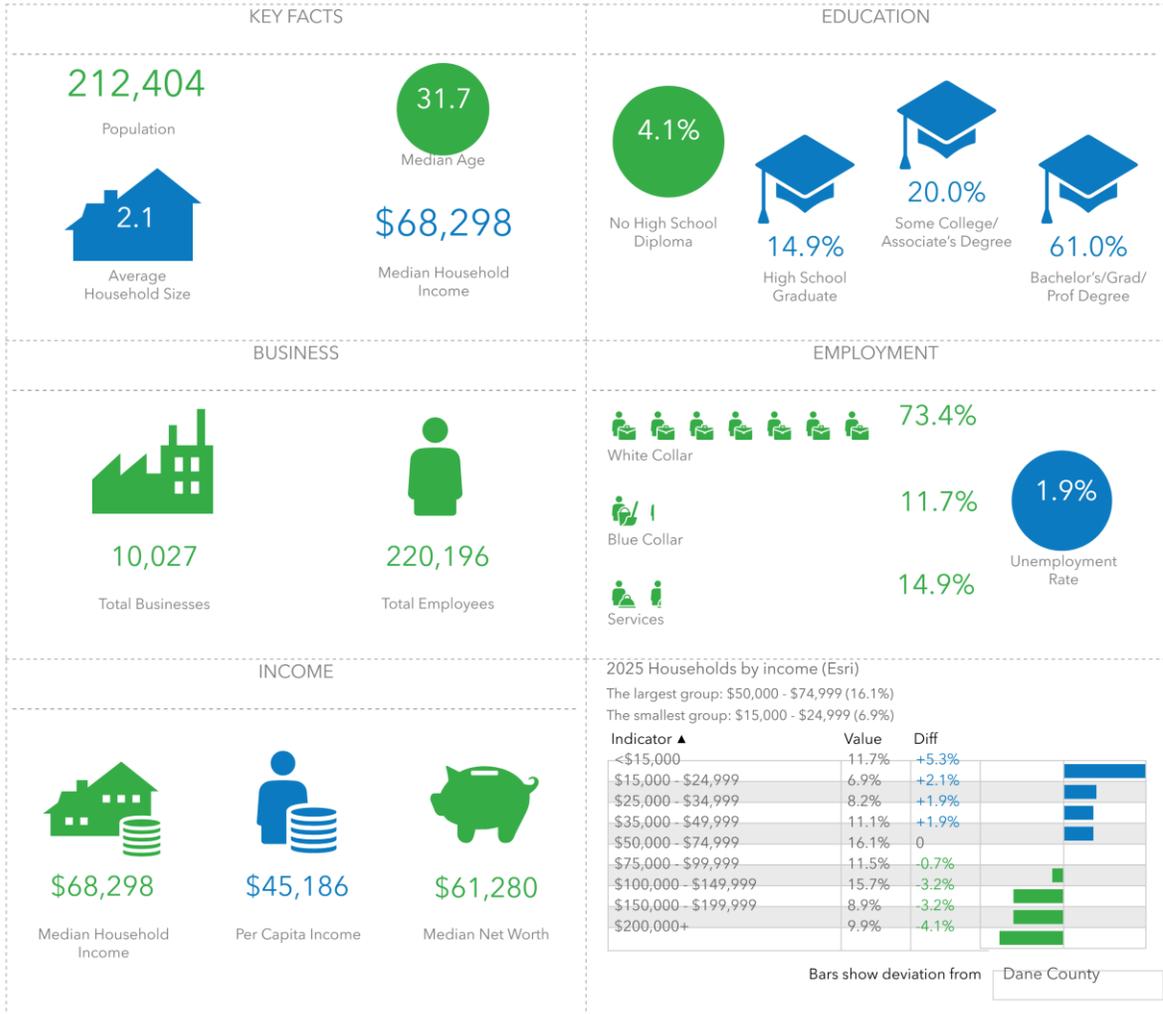
**Data Note:** Income is expressed in current dollars.

**Source:** Esri forecasts for 2025 and 2030. U.S. Census Bureau 2020 decennial Census in 2020 geographies.

September 10, 2025

# Key Facts

101 S Webster St, Madison, Wisconsin, 53703 2  
Ring of 5 miles



Source: This infographic contains data provided by Esri (2025, 2030), Esri-Data Axle (2025). © 2025 Esri

**Land Use**

The majority of the market area includes average to good quality one- and two-family homes, multi-family properties, and commercial uses. There is good commercial development along arterials extending throughout the neighborhood. The subject area has been consistently above average for many years and has few issues with vacancy. Neighboring uses are mostly commercial and multi-family residential, like the subject, along the fronting roadways. The state capitol building is located two blocks west of the subject.

**Access and Linkages**

The area has good freeway accessibility as well as sufficient traffic patterns. Public transportation serves the area. Availability of commercial activity is good with neighborhood needs met in the area. There is a sufficient commercial development in the area. There are all types of schools and amenities convenient throughout the neighborhood.

**Conclusion**

The subject neighborhood is a popular area of average to above average maintained homes. Utilities and conveniences as well as employment are adequately served. It is fully developed; turnover and collection losses are below average and vacancy rates are below average. Demand is above average for both sales and rentals.

# OFFICE MARKET ANALYSIS

## Overview

### Central Campus Office

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	Market Asking Rent Growth
<b>0</b>	<b>(241K)</b>	<b>8.5%</b>	<b>1.6%</b>

The Central Campus office submarket has a vacancy rate of 8.5% as of the third quarter of 2025. Over the past year, the submarket's vacancy rate has changed by 2.6%, a result of -5,000 SF of net delivered space and -240,000 SF of net absorption.

Central Campus's vacancy rate of 8.5% compares to the submarket's five-year average of 5.4% and the 10-year average of 4.7%.

The Central Campus office submarket has roughly 640,000 SF of space listed as available, for an availability rate of 7.2%. As of the third quarter of 2025, there is 40,000 SF of office space under construction in Central Campus. In comparison, the submarket has

averaged 100,000 SF of under construction inventory over the past 10 years.

Central Campus contains 8.9 million SF of inventory, compared to 40.4 million SF of inventory metro wide.

Average rents in Central Campus are roughly \$26.00/SF, compared to the wider Madison market average of \$22.00/SF.

Rents have changed by 1.7% year over year in Central Campus, compared to a change of 1.9% metro wide. Annual rent growth of 1.7% in Central Campus compares to the submarket's five-year average of 2.2% and its 10-year average of 2.2%.

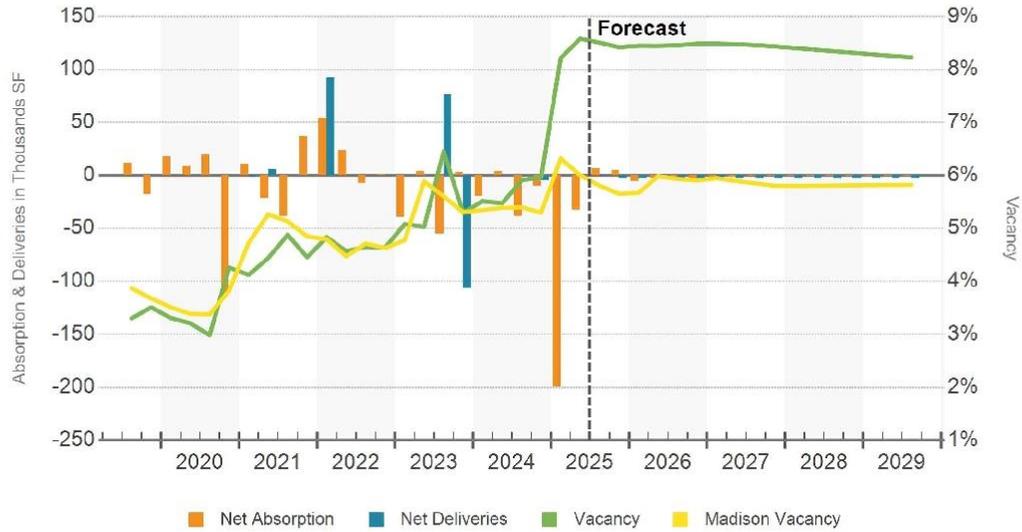
### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	2,120,423	10.9%	\$30.61	10.9%	(29)	0	40,013
3 Star	4,992,866	9.1%	\$25.72	6.4%	10,165	0	0
1 & 2 Star	1,752,881	4.0%	\$21.30	5.1%	(2,946)	0	0
<b>Submarket</b>	<b>8,866,170</b>	<b>8.5%</b>	<b>\$26.01</b>	<b>7.2%</b>	<b>7,190</b>	<b>0</b>	<b>40,013</b>
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	2.7% (YOY)	5.9%	8.4%	8.6%	2025 Q2	2.8%	2018 Q3
Net Absorption SF	(241K)	32,421	(27,972)	311,626	2018 Q4	(280,102)	2025 Q2
Deliveries SF	0	54,688	0	366,458	2019 Q2	0	2025 Q2
Market Asking Rent Growth	1.6%	1.0%	1.3%	4.4%	2022 Q4	-4.6%	2010 Q2
Sales Volume	\$3.6M	\$17.6M	N/A	\$73.8M	2019 Q4	\$754.6K	2016 Q2

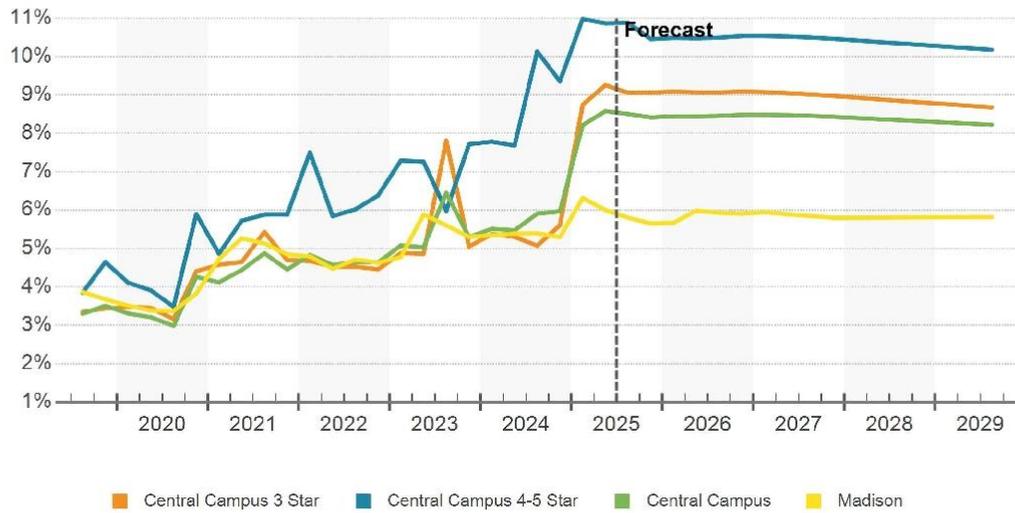
# Leasing

Central Campus Office

## NET ABSORPTION, NET DELIVERIES & VACANCY



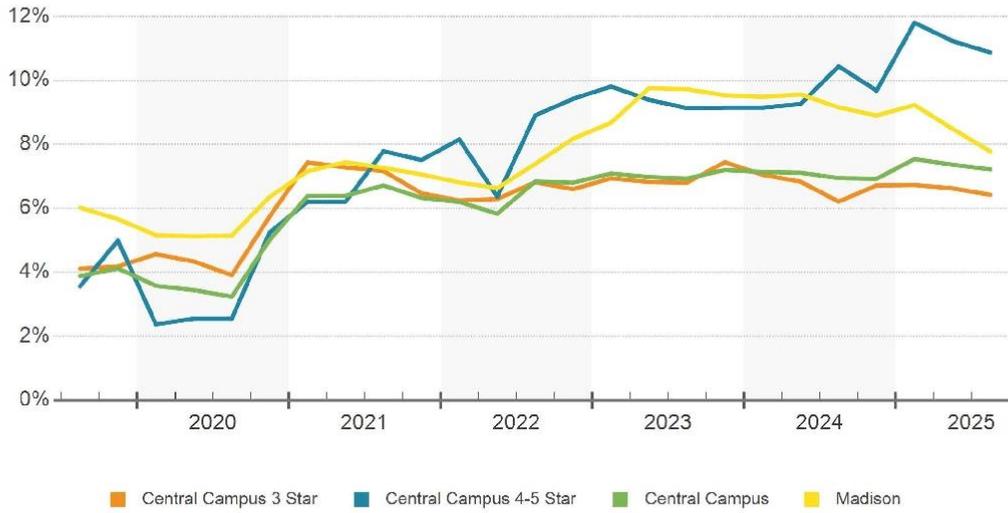
## VACANCY RATE



# Leasing

Central Campus Office

## AVAILABILITY RATE



## 4 & 5 STAR MOST ACTIVE BUILDINGS IN SUBMARKET - PAST 12 MONTHS

Property Name/Address	Rating	RBA	Deals	Leased SF	12 Mo Vacancy	12 Mo Net Absorp SF
<b>25 W Main St</b>	★★★★☆	198,000	1	2,139	7.3%	9,488
<b>US Bank Plaza</b> 1 S Pinckney St	★★★★☆	381,923	1	5,745	8.8%	7,834
<b>Manchester Place</b> 2 E Mifflin St	★★★★☆	127,720	3	13,954	33.4%	4,384
<b>StartingBlock</b> 821 E Washington Ave	★★★★☆	158,000	1	3,810	1.9%	3,479
<b>Tommy G. Thompson WHED...</b> 201 W Washington Ave	★★★★☆	155,000	1	1,000	0%	0
<b>City Station</b> 658-672 W Washington Ave	★★★★☆	65,865	1	1,407	15.8%	(8,693)
<b>Network222</b> 222 W Washington Ave	★★★★☆	190,000	3	11,003	20.7%	(31,262)

## Leasing

Central Campus Office

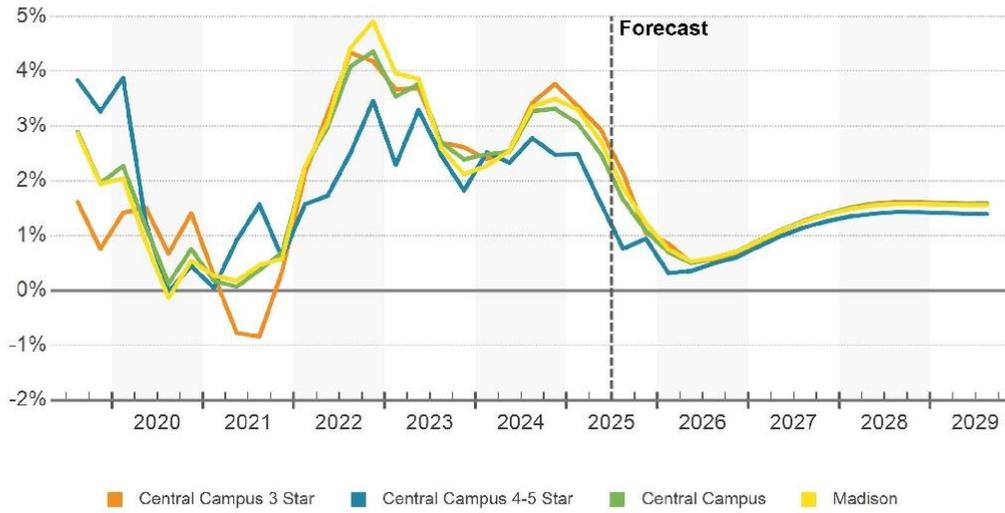
### 3 STAR MOST ACTIVE BUILDINGS IN SUBMARKET - PAST 12 MONTHS

Property Name/Address	Rating	RBA	Deals	Leased SF	12 Mo Vacancy	12 Mo Net Absorp SF
<b>10 E Doty at Block 89</b> 10 E Doty St	★★★★★	167,440	1	878	16.1%	14,302
<b>Olin Center</b> 206-210 E Olin Ave	★★★★★	55,475	1	8,713	16.0%	5,698
<b>345 W Washington Ave</b>	★★★★★	95,000	2	9,097	1.3%	5,621
<b>The Cantwell Building</b> 121 S Pinckney St	★★★★★	21,000	1	2,498	8.5%	1,513
<b>637 E Washington Ave</b>	★★★★★	21,296	1	1,000	0.9%	1,087
<b>700 Regent St</b>	★★★★★	47,320	1	3,385	0%	0
<b>Tenney Plaza</b> 110 E Main St	★★★★★	94,260	1	662	4.5%	(1,293)
<b>Hovde Building</b> 122 W Washington Ave	★★★★★	100,500	1	1,270	7.5%	(1,695)
<b>44 E Mifflin St</b>	★★★★★	87,330	1	1,865	13.4%	(8,877)
<b>Kroger Grocery Warehouse</b> 634 W Main St	★★★★★	39,600	1	2,244	17.7%	(11,665)
<b>316 W Washington Ave</b>	★★★★★	155,000	1	21,581	20.8%	(20,084)

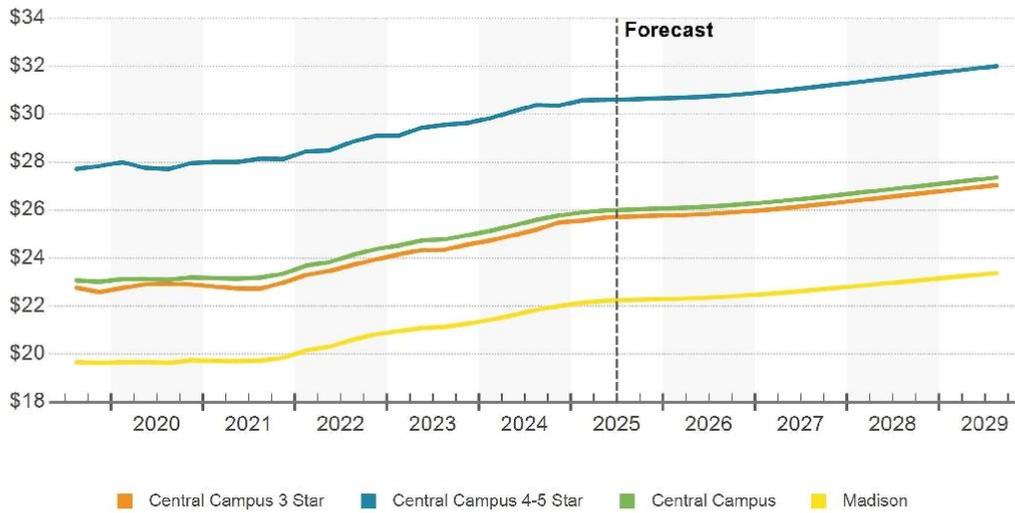
# Rent

Central Campus Office

## MARKET ASKING RENT GROWTH (YOY)



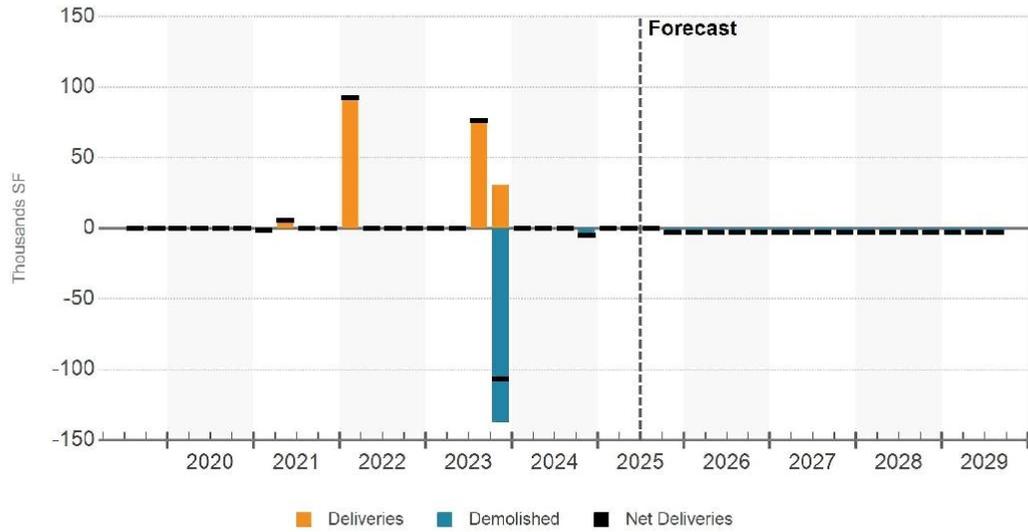
## MARKET ASKING RENT PER SQUARE FEET



# Construction

Central Campus Office

## DELIVERIES & DEMOLITIONS



## Construction

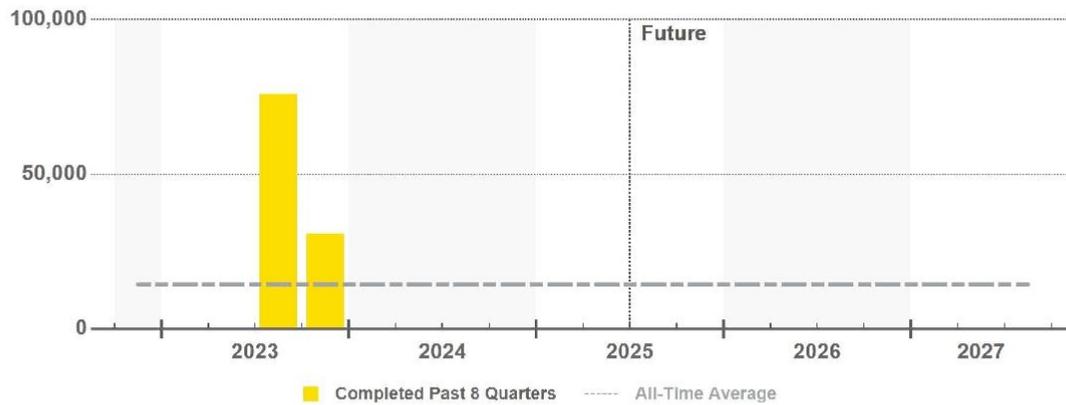
Central Campus Office

All-Time Annual Avg. Square Feet	Delivered Square Feet Past 8 Qtrs	Delivered Square Feet Next 8 Qtrs	Proposed Square Feet Next 8 Qtrs
57,480	106,802	0	0

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



### PAST & FUTURE DELIVERIES IN SQUARE FEET



## Construction

Central Campus Office

### RECENT DELIVERIES

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 210-220 S Hamilton St	★★★★☆	30,802	6	Jan 2020	Oct 2023	- Realty 4 Good - Restaino & Asso...
2 Black Business Hub 2342 S Park St	★★★★☆	76,000	4	Apr 2022	Jul 2023	Tri-North University Of Wisconsin

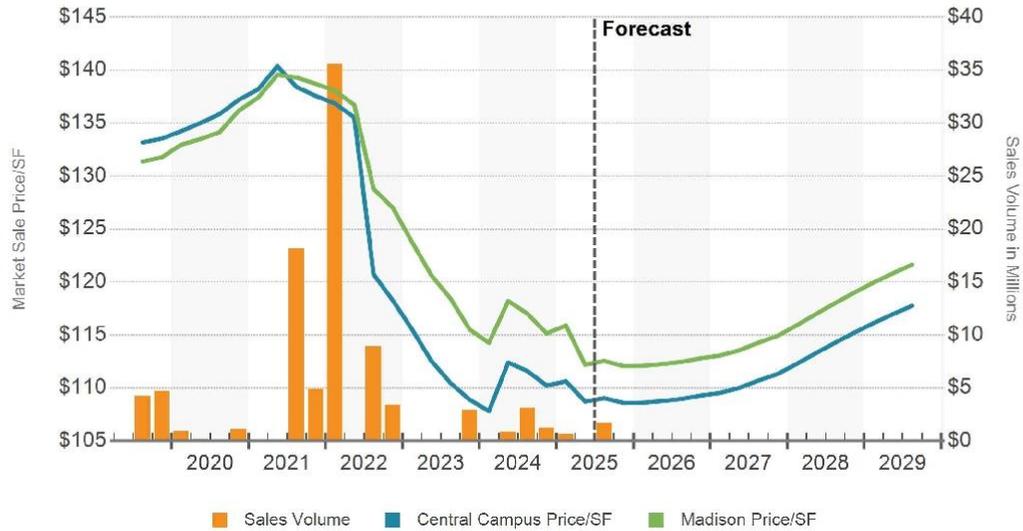
Sales

Central Campus Office

Over the past year, 3 office properties traded in Central Campus, accounting for 27,000 SF of inventory turnover. Office sales volume in Central Campus has totaled \$3.6 million over the past year. Average annual sales volume over the past five years is \$15.8 million and \$20.6 million over the past 10 years.

Estimated office market pricing in Central Campus is \$109/SF compared to the market average of \$113/SF. Average market pricing for Central Campus is estimated at \$113/SF for 4 & 5 Star properties, \$111/SF for 3 Star assets, and \$99/SF for 1 & 2 Star buildings. The estimated cap rate for Central Campus office is 12.3%, compared to the metro average of 11.9%.

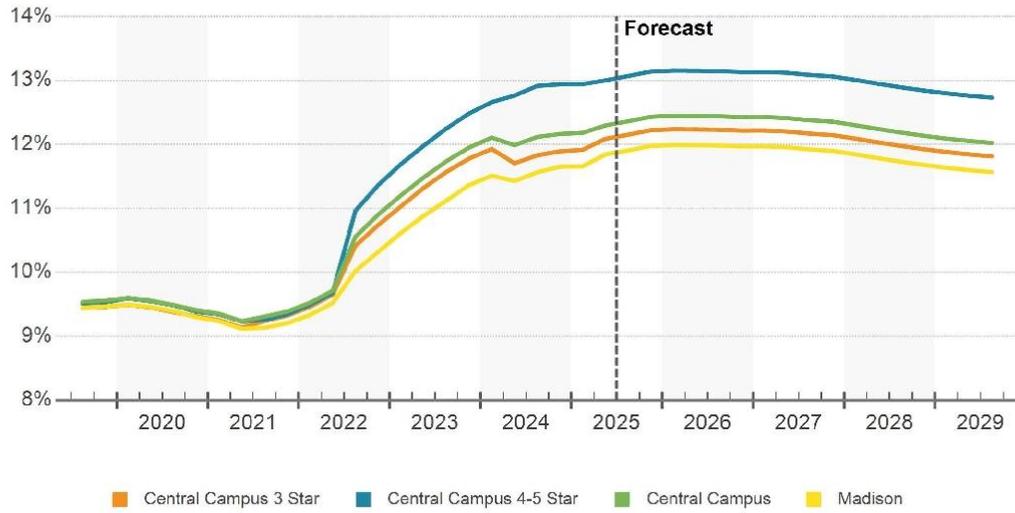
SALES VOLUME & MARKET SALE PRICE PER SF



Sales

Central Campus Office

MARKET CAP RATE

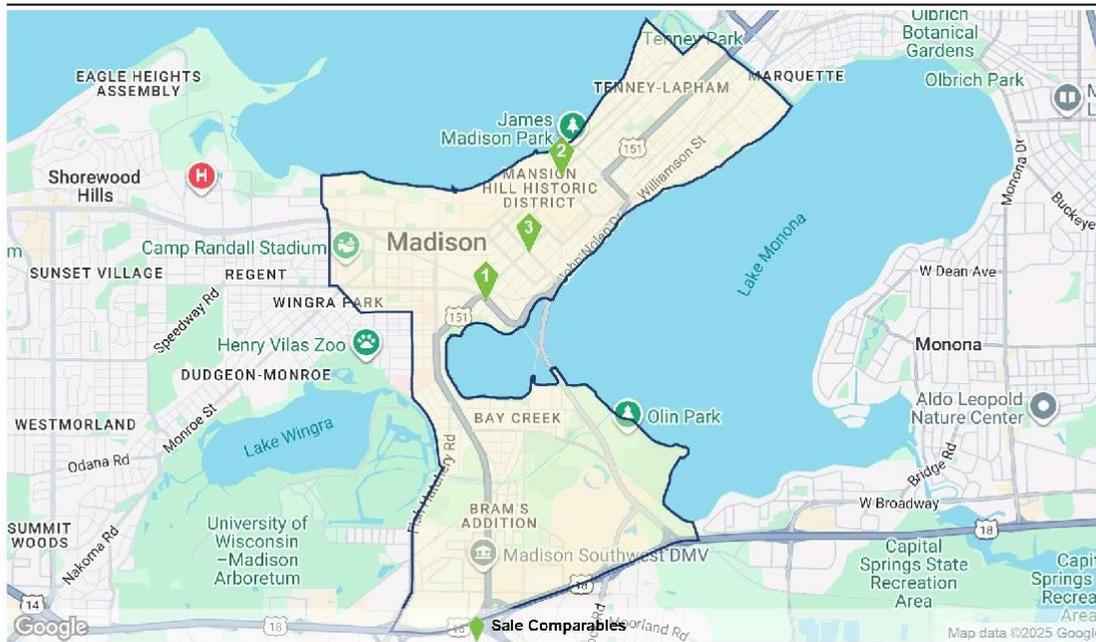


## Sales Past 12 Months

Central Campus Office

Sale Comparables	Avg. Cap Rate	Avg. Price/SF	Avg. Vacancy At Sale
<b>3</b>	<b>-</b>	<b>\$141</b>	<b>6.9%</b>

### SALE COMPARABLE LOCATIONS



### SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$660,000	\$1,203,333	\$1,225,000	\$1,725,000
Price/SF	\$112	\$141	\$138	\$300
Cap Rate	-	-	-	-
Time Since Sale in Months	1.3	6.4	8.6	9.2
Property Attributes	Low	Average	Median	High
Building SF	2,200	8,546	10,928	12,510
Stories	2	3	3	3
Typical Floor SF	1,100	2,971	3,643	4,170
Vacancy Rate At Sale	0%	6.9%	0%	80.5%
Year Built	1867	1929	1956	1964
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.3	★ ★ ★ ★ ★	★ ★ ★ ★ ★

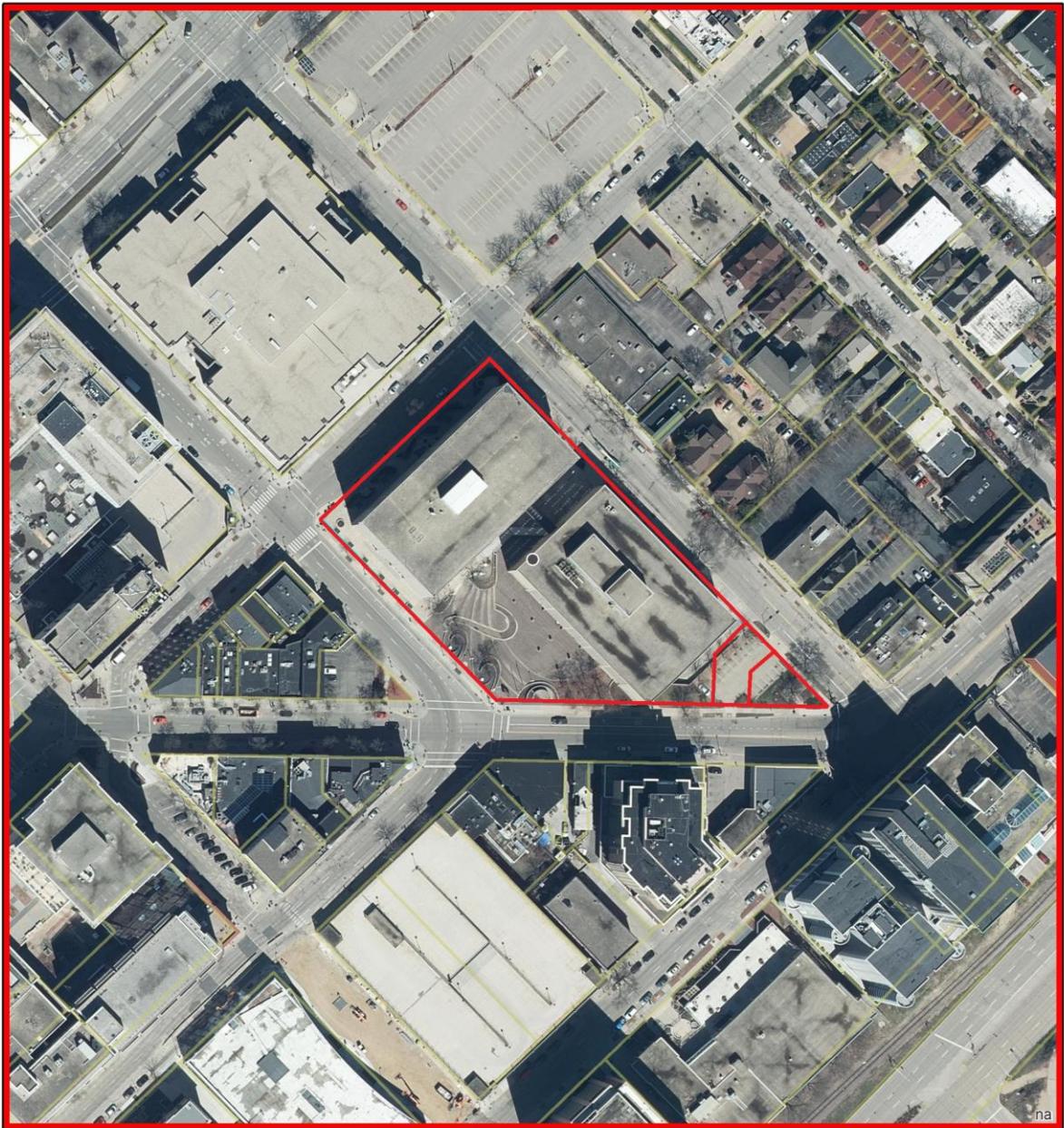
## Sales Past 12 Months

Central Campus Office

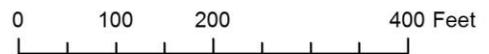
### RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale				
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate	
1 702 W Main St	★★★★★	1964	12,510	0%	8/13/2025	\$1,725,000	\$138	-	
2 214 N Hamilton St	★★★★★	1956	10,928	0%	12/16/2024	\$1,225,000	\$112	-	
3 14 S Broom St	★★★★★	1867	2,200	80.5%	1/3/2025	\$660,000	\$300	-	

PLAT MAP



May 10, 2022

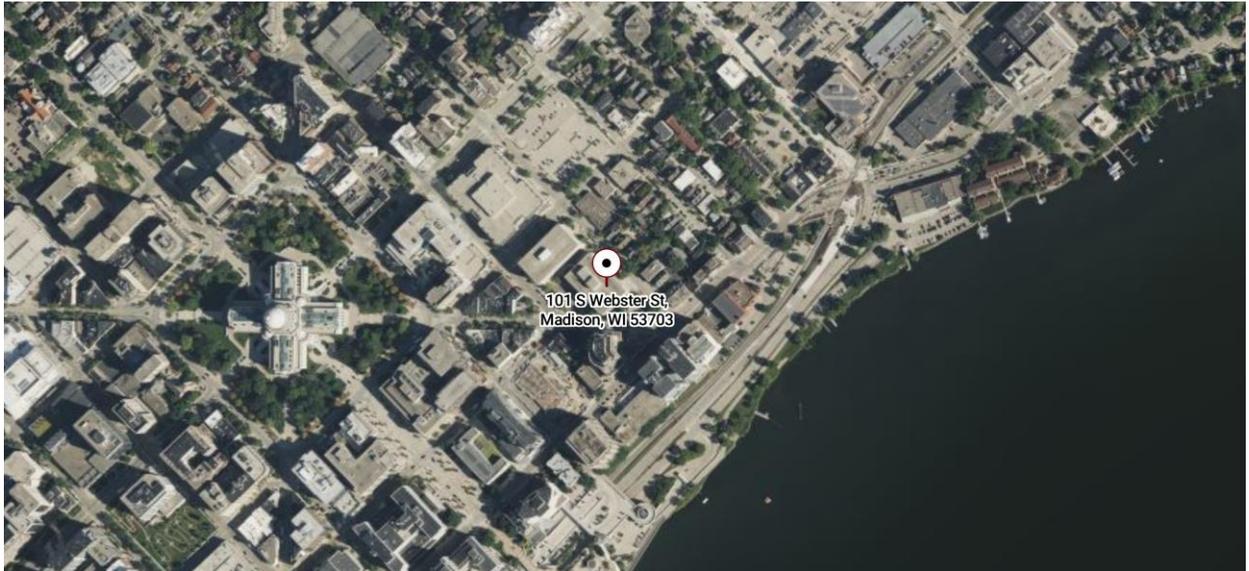


Dane County Mask

-  Dane County Mask
-  Parcels



AERIAL & BIRDSEYE VIEWS



# FLOODPLAIN MAP

CoreLogic | RiskMeter

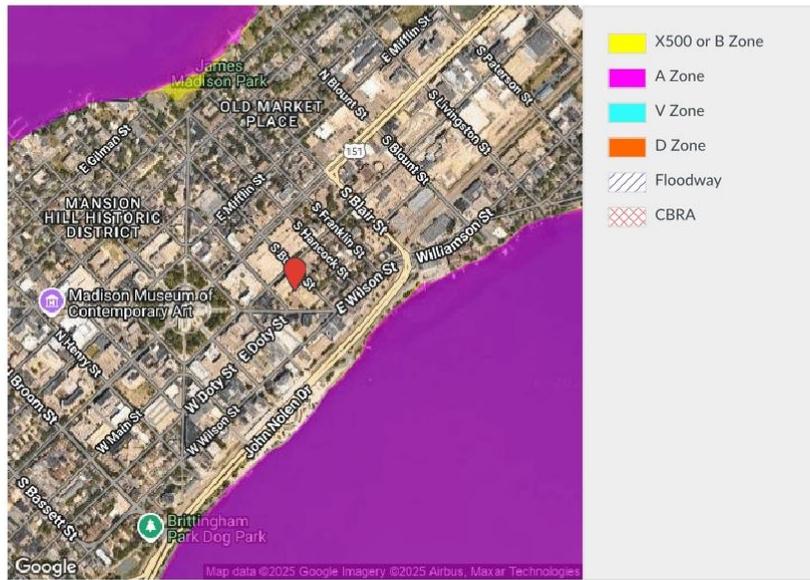
101 S WEBSTER ST MADISON, WI 53703-3474

LOCATION ACCURACY: 📍 Excellent

## Flood Zone Determination Report

Flood Zone Determination: **OUT**

PANEL DATE: January 02, 2009      MAP NUMBER: 55025C0409G



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Report generated September 10, 2025 by bids@la-appraisal.com

Page 2 of 2

## **SITE ANALYSIS**

### **Land Area**

The subject consists of three parcels. The parcels are adjacent to each other and are therefore, considered as one site consisting of 2.529 acres.

### **Shape and Frontage**

The subject site is an irregular-shaped parcel that occupies an entire city block with frontage along four roadways. It has approximately 285 feet of frontage on South Webster Street, approximately 265 feet of frontage on East Main Street, approximately 550 feet of frontage on South Butler Street, and approximately 375 feet of frontage on King Street.

South Webster Street is an asphalt-paved, two-lane, in a one-way, northwest bound direction, secondary arterial roadway, with concrete curbs and gutters, streetlights, and public sidewalks. East Main Street, South Butler Street, and King Street are two-lane, asphalt-paved roadways, with concrete curbs and gutters, streetlights, and public sidewalks.

### **Topography and Drainage**

The site is generally slopes downward from the northwest to the southeast and is at grade with adjacent properties and roadways. Drainage appears to be adequate for the subject development.

### **Soils**

A physical inspection revealed no apparent problems with the soil that would impede development. However, no recent soil analysis was provided to the appraiser.

### **Easements**

There were no apparent easements or encroachments. The appraisal assumes, but does not warrant, that any easements, restrictions or encroachments that might appear against the title would have no adverse effect on the value of the subject property.

### **Covenants, Conditions, and Restrictions**

No private deeds or restricting covenants affecting development, other than zoning, were found to affect the site.

**Utilities**

Sewer and water as well as gas, electric, telephone and cable serve the site.

**Flood Zone**

According to FEMA Map 55025C0409G, dated January 2, 2009, it is located in a Zone X (area of minimal flooding) designated flood hazard area.

**Environmental Issues**

No environmental survey was available to the appraisers for review. Inspection of the property revealed no apparent underground tanks, environmental hazards or toxic wastes. However, the appraisers are not environmental experts. Therefore, it is assumed, but not warranted that no adverse environmental conditions affect the subject.

**Conclusions**

The subject is an excellent location within the Downtown Madison area, two blocks east of the state capitol building. The site has excellent frontage and accessibility. The surrounding area is generally mid-rise office/retail buildings with some residential development in the immediate area. In summary, the subject site is a larger sized, irregular shaped parcel in the Central Business District area of the City of Madison.

## IMPROVEMENT ANALYSIS

The subject is a 223,270 square foot, nine-story plus underground parking office building known as the General Executive Facility II (101 South Webster Street) and a 167,735 square foot, six-story plus underground parking office building., known as the General Executive Facility III (125 South Webster Street). The building sizes were provided by the client and are assumed to be accurate.

### **Building Sizes**

223,270 Square Feet (101 South Webster Street)

167,735 Square Feet (125 South Webster Street)

391,005 Square Feet (Total, Finished, Above Grade)

### **Foundation**

Concrete

### **Exterior Walls**

Brick and Concrete

### **Roof**

Flat, Stone over Rubber Membrane

### **Windows**

Fixed Glass in Aluminum Frames

### **Floors**

Carpet, Ceramic Tile, Luxury Vinyl Plank, Vinyl Tile, Epoxy, Concrete

### **Doors**

Glass in Aluminum Frame and Steel Exterior Doors; Wood in Aluminum Frame, Steel, and Glass in Aluminum Frame Interior Doors

### **Walls and Ceilings**

Drywall and Ceramic Tile Walls, Drywall and Acoustical Tile Ceilings

### **Electric**

2,000-Amp, 480-Volt, Three Phase

### **Plumbing**

Copper, PVC, and galvanized plumbing lines, two restrooms on each floor. Each floor has a small kitchenette area.

### **Heating and Cooling**

Heating and cooling is provided by an offsite loop from a central plant that serves several state buildings in the immediate area.

**Elevator**

(4) 2,500 Pound Capacity, Passenger Elevators at 101 South Webster Street  
(2) 2,500 Pound Capacity, Passenger Elevators, and One 3,500 Pound Capacity, Freight Elevator at 125 South Webster Street

**Fire Protection**

The subject is protected by a sprinkler system. It is assumed that the subject has adequate fire alarm systems, fire exits, fire extinguishers, fire escapes and/or other fire protection measures adequate to meet local requirements.

**Parking**

The subject has 195 underground parking spaces along with 24 motorcycle underground parking spaces. The site also has 16 on-site surface parking spaces available. There is an abundance of surface parking along with parking structures and street parking available in the immediate area.

**Other Site Improvements**

Other site improvements include a plaza that has brick pavers along with concrete walls and fountains. The plaza runs between the two buildings and to the southwest of 125 South Webster Street.

**Age**

<b>Remaining Economic Life            Single Tenant Office Buildings            101 &amp; 125 S Webster St            Madison, Wisconsin</b>	
Year Built / Remodeled	1978
Actual Age	47 Years
Total Economic Life	60 Years
Less: Effective Age	30 Years
Remaining Economic Life	30 Years

The effective age of a property is an age based upon the observed depreciation and obsolescence. The economic life is the period over which the improvements to a property contribute value. Therefore, remaining economic life, the difference between the economic life and the effective age, is an estimate of the period over which the improvements to a property will continue to contribute value.

**Condition and Utility**

Both the exterior and interior of the subject were inspected. The subject is an existing Class B office building. The improvements were built specifically for the State of Wisconsin to owner-occupy and have received periodic renovations throughout their life. The improvements have been maintained as necessary however 125 S. Webster St (GEF III) has been vacant for approximately 1 year. Overall, the condition of the subject buildings is considered average / dated.

The utility of the buildings are good, located two blocks east of the State of Wisconsin capitol building, with adequate on-site parking via an underground parking structure. Therefore, no functional obsolescence was noted. The subject is in an area of good quality commercial and multi-family buildings. No external obsolescence was noted for the subject property.

**Environmental Conditions**

No environmental survey was available to the appraisers for review. Inspection of the property revealed no apparent underground tanks, environmental hazards or toxic wastes. However, the appraisers are not environmental experts. Therefore, it is assumed, but not warranted that no adverse environmental conditions affect the subject.

**Americans with Disabilities Act (ADA)**

The property is subject to the Americans with Disabilities Act (ADA). It is not known if it meets all requirements of the ADA. Required changes to meet the ADA could influence the value. The appraisers are not experts in ADA requirements. Therefore, it is assumed that all ADA requirements are met.

**ZONING**

The subject is zoned DC, Downtown Core District. The subject’s zoning requirements are summarized in the table below.

<b>Zoning Summary</b> <b>Single Tenant Office Buildings</b> <b>101 &amp; 125 S Webster St</b> <b>Madison, Wisconsin</b>	
Zoning Designation	DC, Downtown Core District
Legally Conforming	Yes
Permitted Uses	Most Office, Retail & Service Uses
Zoning Change	Unlikely
<b>Category</b>	<b>Zoning Requirements</b>
Minimum Site Size	None
Minimum Site Width	None
Front Setback	None
Side Setback	None
Rear Setback	None
Minimum Building Height	2 Stories

The subject appears to meet the zoning requirements and is considered legally conforming.

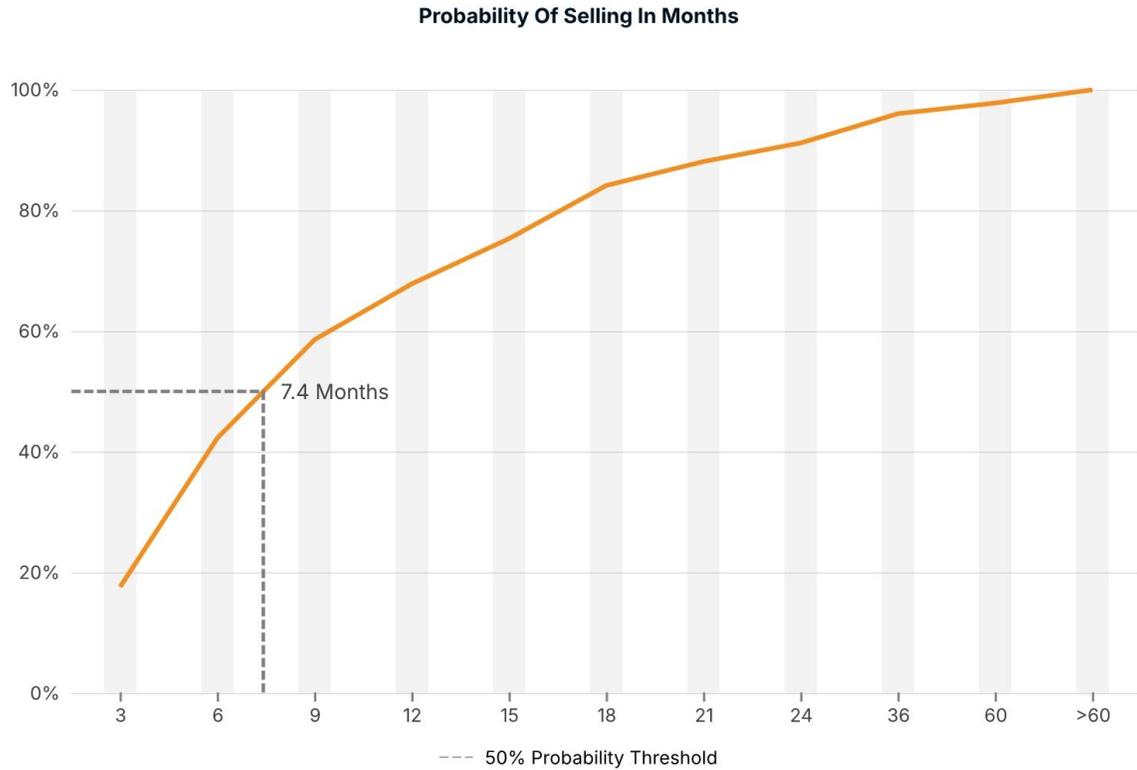
## EXPOSURE AND MARKETING TIME

Exposure time defined by the Appraisal Institute, in *The Dictionary of Real Estate Appraisal*, Seventh Edition, 2022, published by the Appraisal Institute, as: “An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.”

Marketing time defined by the Appraisal Institute, in *The Dictionary of Real Estate Appraisal*, Seventh Edition, 2022, published by the Appraisal Institute, as: “An opinion of the amount of time to sell a property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal.”

The *PwC Real Estate Investor Survey* for the third quarter of 2025 had an average marketing period of 9.5 months for the National CBD Office Market, which is down from one year prior at 9.8 months. The properties included in the survey are typically, new, well located, investment grade properties that would be attractive to national investment advisors.

In addition, the appraiser conducted a survey of all office buildings over 100,000 square feet in Wisconsin that have sold since 2023. A graph showing the trends are included on the following page.



Based on the location, age, and condition of the property the exposure and marketing times are estimated at 6 to 15 months.

## HIGHEST AND BEST USE

Highest and best use is defined by the Appraisal Institute, in *The Dictionary of Real Estate Appraisal*, Seventh Edition, 2022, published by the Appraisal Institute, as: “1) The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. 2) The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset’s existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. 3) The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. 4) [For fair value determination] The use of a nonfinancial asset by market participants that would maximize the value of the asset or the group of assets and liabilities (for example, a business) within which the asset would be used. The highest and best use of a nonfinancial asset takes into account the use that is physically possible, legally permissible, and financially feasible. The highest and best use of a nonfinancial asset establishes the valuation premise used to measure the fair value of the asset, as follows: (a) The highest and best use of a nonfinancial asset might provide maximum value to market participants through its use in combination with other assets as a group (as installed or otherwise configured for use) or in combination with other assets and liabilities (for example, a business). (b) The highest and best use of the asset might provide maximum value to market participants on a standalone basis.”

As indicated by the above definition, the highest and best use of any parcel of land relates to the needs or demands of potential users. It is a consideration which is made to determine what the maximum desirable potential of the property is or could be. Historical data relative to a site may not reflect the future potential of the property, but can act as an aid in analyzing past trends and thus help in determining the present or future usefulness of the property. Determination of the potential or future benefits from property ownership is the objective of most appraisal assignments. After the potential or the highest and best use of the property has been determined, data providing support for the valuation can be reconciled to provide the basis for a logical value conclusion.

This appraisal analysis takes into account considerations of the economic trends for the subject market area and community, the proximity of amenities, financial capabilities of the typical buyers, etc., and considers limitations of these items. In determining the highest and best use as if vacant, or as improved, there are four basic criteria. The use must be legally permissible, physically possible, financially feasible and maximally productive. Of the financially feasible uses, the maximally productive use is that which will bring the greatest value or return to the land.

### **Highest and Best Use, As Vacant**

As stated above, this use must be legally permissible, physically possible, and financially feasible. The use that maximizes the return to the land under all of these tests will be the maximally productive, and the highest and best use as vacant.

### **Legally Permissible**

The subject is zoned DC, Downtown Core District. This is a zoning that allows a wide variety of uses including most office, retail, and service uses. Based upon the current zoning, surrounding land uses and development trends occurring in the area, it is unlikely that a zone change would occur. An office/retail use seems to be the most likely of the permitted uses for the site.

### **Physically Possible**

The subject site is an irregular shaped 2.529-acre site with frontage on four roadways. The site includes excellent frontage, exposure, ingress/egress, and accessibility from the adjacent roadways. The size, shape and topographical features are considered sufficient for development of an office/retail use.

Public water and sewer serve the site. The assumed soil conditions do not appear to constrain development potential. Overall, the physical features are considered sufficient to develop the site into its allowable uses under the current zoning.

### **Financially Feasible**

Office buildings in the surrounding area have seen stable rental rates and slightly diminished occupancy rates, similar with other commercial properties. Based on the adequate occupancy rates and rental rates commanded throughout the surrounding areas, an office use appears to be a financially feasible venture.

In analyzing the financial feasibility, the appraisers have projected the gross potential income, vacancy/credit loss and operating expenses to obtain the likely net operating income from an office use. Based on this information, the short-term and long-term feasibility of the subject is considered average. In that regard, the appraisers have determined that an office use is a financially feasible use for this site.

### **Maximally Productive**

Considering a maximally productive use, an office use maximizing the development potential of the parcel and based on that which is legally permissible and supported by the market appears reasonable.

### **Conclusion**

Development of the site to an office use is considered a legally permissible, physically possible, financially feasible and maximally productive use. Further, we have concluded that the potential buyer would be an owner/investor and development could occur as market conditions allow.

**Highest and Best Use, As Improved**

The same tests are applied to the analysis as improved - tests of legal permissibility, physical possibility, and financial feasibility. As above, the use that maximizes the return to the land under all of these tests will be the maximally productive use, and thus, the highest and best use as improved.

**Legally Permissible**

The subject property is presently improved with two, owner-occupied office buildings with underground parking consisting of a total of 391,005 square feet. The improvements meet all of the criteria required under the current zoning designation and, therefore, are legally permissible.

**Physically Possible**

As discussed in the Site Analysis, the subject is located on an irregular-shaped parcel with excellent frontage on and access from roadways. The improvements maximally utilize the site. The condition of the building is considered average / dated. It is unlikely that the building would be used for a non-office use, without substantial renovation and costs.

**Financially Feasible**

Similar properties in the subject's market are commanding average office rental rates, compared with other areas within Dane County. The rental desirability of the subject is considered to be average for the area. A survey of Dane County's Central Campus submarket report shows a vacancy rate of 8.5%.

**Maximally Productive**

The only use that satisfies the first three tests is continuation of the existing use. Therefore, the subject currently meets the requirements being maximally productive.

**Conclusion**

The value of the property as improved is greater than the value of the site, so therefore the improvements still contribute value to the subject and should not be demolished. Based on this, the current use should be continued with continued maintenance done as necessary. The current improvements of the subject meet the criteria of all four tests above. Therefore, we have concluded that the existing improvements meet the criteria of being the highest and best use, as improved.

## VALUATION METHODOLOGY

The valuation of any parcel of real estate is derived principally through three basic approaches. They are the cost, sales comparison, and income approaches. From the indications of these analyses and the weight that is accorded to each, a value opinion is reached based upon expert judgment within the outline of the appraisal process. The methodology involving the appraisal of the subject includes the following:

### **Cost Approach**

The cost approach is based on the recognition that market participants relate value to cost. The value of a property is the costs to develop a similar property, once the costs are adjusted for all forms of applicable depreciation.

Developing a cost approach involves four major steps.

1. Develop an opinion of the site as though vacant and available for development to its highest and best use.
2. Estimate all costs to replace or reproduce the existing improvements, including direct costs, indirect costs, and entrepreneurial incentive.
3. Estimate all forms of depreciation evident in the improvements.
4. Subtract the total estimated depreciation from the total estimated reproduction or replacement costs and add the site value opinion to derive an indication of value from the cost approach.

### **Sales Comparison Approach**

The sales comparison approach is based upon the principle of substitution; that is, when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property.

Developing a sales comparison approach involves four major steps.

1. Research the market and find information about comparable property sales.
2. Analyze the comparable sales to derive market-supported adjustments that reflect the significant differences between the sales and the subject.

3. Apply the adjustments to the comparable sale or unit prices.
4. Reconcile the adjusted sale or unit prices into an indication of value for the subject.

### **Income Approach**

The income approach is based on the recognition that the value of a property is related to its income-generating potential.

Developing an income approach involves four major steps.

1. Determine the potential gross income of a property based upon either contract rental rates or market rental rates, based upon rental rates of comparable properties.
2. Estimate the stabilized vacancy and collection loss based upon market factors and apply it to the subject's potential gross income to yield an effective gross income.
3. Analyze the property's expense and reconcile them with typical expenses of properties in the market. Deduct applicable operating expenses from the effective gross income to arrive at the net operating income of the property.
4. Estimate an appropriate capitalization rate for the subject property based upon market data, surveys, and the band-of-investment method and apply it to the net operating income to arrive at the estimated value of the subject.

### **Summary**

The sales comparison approach and income approach can be applied to the analysis of data to derive a well-supported value conclusion. Although the approaches are inter-related, the property type and use determine which approach or approaches are most appropriate. The final reconciliation considers the applicability of each approach.

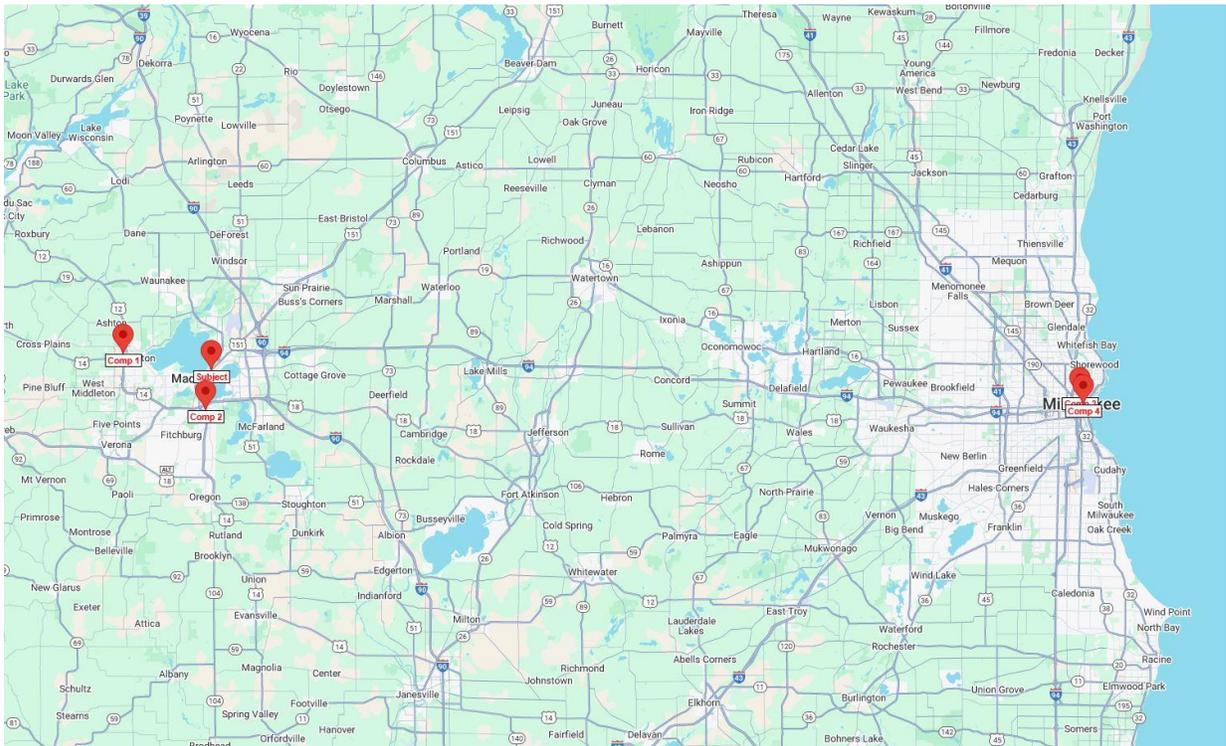
## **COST APPROACH**

The subject buildings are 47 years old but the cost to replace/reproduce a building like the subject, less depreciation from all causes, is not a method used by market participants as a way to establish market value. Therefore, the cost approach is not considered applicable and is not included herein.

## SALES COMPARISON APPROACH

### As Improved

The sales included on the following pages were analyzed in arriving at the value opinion of the subject by the sales comparison approach. CoStar, Catalyst, and our office files were searched for sales. The appraiser tried to limit the sales to large single tenant office buildings in the Milwaukee and Madison metro areas but data is limited and therefore the sale date had to be expanded slightly. The most comparable sales are seen below:



**Improved Sale No. 1****Property Identification**

**Record ID** 12095  
**Property Name** Office  
**Address** 7974 UW Health Ct, Middleton, Dane County, Wisconsin  
**Tax ID** 0708-101-1506-2, 0708-101-1517-2

**Sale Data**

**Grantor** Pheasant West, LLC  
**Grantee** AJC Wisco Office, LLC  
**Sale Date** December 28, 2023 Doc #5940419  
**Verification** CoStar, WisDOR, Press Release, Assessor

**Sale Price** \$27,350,000

**Land Data**

**Land Size** 11.073 Acres or 482,336 SF

**General Physical Data**

**Building Type** Single Tenant  
**SF** 200,000  
**Construction Type** Masonry  
**Year Built** 2008

**Indicators**

**Sale Price/ SF** \$136.75  
**Floor Area Ratio** 0.41  
**Land to Building Ratio** 2.41:1

**Remarks**

Sale of a large single-tenant office building located in Middleton, WI. Built in 2008 and in average to above average condition. The property was marketed by JLL Capital Markets and is fully occupied by UW Health's administrative and billing division. The original asking price was \$40,000,000 with a final sale of \$27,350,000. There are approximately 1,031 surface parking spaces.

**Improved Sale No. 2****Property Identification**

**Record ID** 11292  
**Property Name** Office  
**Address** 2650 Novation Parkway, Fitchburg, Dane County, Wisconsin  
**Tax ID** 0709-363-2322-0

**Sale Data**

**Grantor** 2650 Novation Parkway, LLC  
**Grantee** Spirit Realty, LP  
**Sale Date** December 20, 2022  
**Verification** Listing Broker; Assessor, DOR, CoStar  
  
**Sale Price** \$19,750,000 DOC #5879295

**Land Data**

**Land Size** 4.555 Acres or 198,416 SF

**General Physical Data**

**Building Type** Single Tenant  
**Gross SF** 116,960  
**Construction Type** Masonry  
**Year Built** 2009

**Indicators**

**Sale Price/Gross SF** \$168.86  
**Floor Area Ratio** 0.59  
**Land to Building Ratio** 1.7:1

**Remarks**

This is the sale of a single-tenant, office building, leased to Quartz Health Solutions Inc. The improvements were in good condition at the time of sale. There are 375 surface parking spaces and 57 underground parking spaces.

**Improved Sale No. 3****Property Identification**

**Record ID** 10251  
**Property Name** Office  
**Address** 201-229 West Cherry Street, Milwaukee, Milwaukee County,  
 Wisconsin  
**Tax ID** 362-1992-000

**Sale Data**

**Grantor** One Hundred MP Way, LLC  
**Grantee** RCS - MPower (SIEM), LLC & RCS - MPower (BLA), LLC  
**Sale Date** October 01, 2021  
**Verification** Listing Broker; Assessor, DOR, CoStar  
**Sale Price** \$70,425,000 DOC #11171471

**Land Data**

**Land Size** 2.741 Acres or 119,385 SF

**General Physical Data**

**Building Type** Single Tenant  
**Gross SF** 280,000  
**Construction Type** Masonry  
**Year Built** 2007

**Indicators**

**Sale Price/Gross SF** \$251.52  
**Floor Area Ratio** 2.35  
**Land to Building Ratio** .43:1

**Remarks**

This is the sale of the Manpower Headquarters building. The improvements are in very good condition. In 2017, the lease was extended through August 31, 2031. According to the listing broker, the capitalization rate was approximately 6.5%. The tenant has exclusive rights to 1,010 parking spaces in an adjacent parking structure.

**Improved Sale No. 4****Property Identification**

**Record ID** 10314  
**Property Name** Office  
**Address** 722-740 North Broadway, Milwaukee, Milwaukee County,  
 Wisconsin  
**Tax ID** 392-0730-100

**Sale Data**

**Grantor** Wisconsin Bell, Inc.  
**Grantee** Reign Col Propco, LLC  
**Sale Date** May 28, 2021  
**Verification** BizTimes; Loopnet, Assessor, DOR, CoStar  
  
**Sale Price** \$30,131,397 DOC #11124945

**Land Data**

**Land Size** 0.661 Acres or 28,800 SF

**General Physical Data**

**Building Type** Single Tenant  
**Gross SF** 251,417  
**Construction Type** Masonry  
**Year Built** 1924

**Indicators**

**Sale Price/Gross SF** \$119.85  
**Floor Area Ratio** 8.73  
**Land to Building Ratio** .11:1

**Remarks**

This is the sale-leaseback of the AT&T building, located in the Downtown East Submarket. The improvements consist of a 6-story and 20-story building. The property does not have on-site parking.

Improved Sales Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin					
	Subject	Sale 1	Sale 2	Sale 3	Sale 4
<b>Address</b>	101 & 125 S Webster St Madison	7974 UW Health Ct Middleton	2650 Novation Parkway Fitchburg	201-229 W Cherry St Milwaukee	722-740 N Broadway Milwaukee
<b>Sale Price</b>		\$27,350,000	\$19,750,000	\$70,425,000	\$30,131,397
<b>Sale Date</b>		Dec-23	Dec-22	Oct-21	May-21
<b>Location</b>	Excellent	Sl. Inferior	Sl. Inferior	Similar	Similar
<b>Building Size (SF)</b>	391,005	200,000	116,960	280,000	251,417
<b>Site Size (AC)</b>	2.53	11.07	4.56	2.74	0.66
<b>Parking</b>	195 Underground / 16 Surface	1,030 Surface	375 Surface	1010 Covered Parking	No Parking
<b>Year Built / Renovated</b>	1978	2008	2009	2007	1924
<b>Age/Condition</b>	Average / Dated	Sl. Superior	Superior	Sig. Superior	Sl. Inferior
<b>Construction</b>	Masonry	Masonry	Masonry	Masonry	Masonry
<b>SP/SF</b>		\$136.75	\$168.86	\$251.52	\$119.85
<b>Quantitative Adjustments</b>					
<b>Property Rights</b>	Fee Simple	0.00%	0.00%	0.00%	0.00%
<b>Conditions of Sale</b>	Arm's Length	0.00%	0.00%	0.00%	0.00%
<b>Financing Terms</b>	Typical	0.00%	0.00%	0.00%	0.00%
<b>Market Conditions</b>	+3.0% Per Year Until 5/1/22	0.00%	0.00%	1.74%	2.78%
<b>Subtotal</b>		<b>\$136.75</b>	<b>\$168.86</b>	<b>\$255.90</b>	<b>\$123.18</b>
<b>Location</b>		15.00%	15.00%	0.00%	0.00%
<b>Building Size</b>		-20.00%	-25.00%	-15.00%	-15.00%
<b>Age/Condition</b>		-10.00%	-20.00%	-30.00%	10.00%
<b>Parking</b>		-5.00%	0.00%	-10.00%	5.00%
<b>Construction</b>		0.00%	0.00%	0.00%	0.00%
<b>Overall (Net) Adjustment</b>		-20.00%	-30.00%	-55.00%	0.00%
<b>Overall (Gross) Adjustment</b>		50.00%	60.00%	56.74%	32.78%
<b>Adj SP/SF</b>		<b>\$109.40</b>	<b>\$118.20</b>	<b>\$115.16</b>	<b>\$123.18</b>

## Quantitative Adjustments

Sufficient data was available to make quantitative adjustments for the following factors.

### *Property Rights*

Most of the sales are owner-occupied, or occupied by tenants with typical market rate leases. Therefore, no adjustments are necessary.

### *Conditions of Sale*

All of the sales were arm's-length transactions; therefore, no adjustments are necessary.

### *Financing Terms*

All of the sales were paid for with cash or financed at market terms. Therefore, no adjustments are necessary.

### *Market Conditions*

The industrial market has improved in recent years. The comparables are typically adjusted upwards based on a 3.0% adjustment per year until May 1, 2022 as a result of the recent interest rate increases.

### *Location*

For this type of property, access to major thoroughfares, ingress and egress to the site, proximity to major population and commercial centers are all considered when making a location adjustment. Sales 1 and 2 are in the outlying areas surrounding Madison whereas the subject and sales 3 and 4 are in their respective central business districts. As a result, sales 1 and 2 are adjusted upward slightly for being inferior.

### *Building Size*

This adjustment reflects differences in price because of the size of the subject. Larger buildings tend to sell for less per square foot than smaller buildings. This is largely due to the economies of scale in construction and utility. All 4 sales are smaller than the subject facility as a whole and therefore adjusted downward accordingly.

### *Age/Condition*

Properties that are newer or in better condition tend to sell for more and cost less to maintain. As mentioned, the subject property was built in 1978 and upkept adequately over the years, but one of the two buildings has been vacant for over a year. As a result the condition is considered average but dated. Sales 1, 2 and 3 are all newer constructions and kept in varying levels of superiority over the subject and adjusted downward as a result. Sale 4 is an older office building and adjusted upward for being inferior.

### *Parking*

The subject has adequate surface and underground parking. Sales 1 and 3 have superior parking capabilities and therefore adjusted downward, while sale 4 has no parking and is adjusted upward for being inferior.

*Construction*

All of the properties are constructed mostly of masonry materials and therefore receive no adjustment.

**Array**

The value indications derived from the comparable sales are arrayed relative to the subject. This array helps to reconcile all of the value indications into a single estimate of value for the subject. The adjusted prices ranged from \$109.40 to \$123.18 per square foot. The appraiser concluded near the mean and median at a rounded \$116.00 per square foot as seen below.

Array of Comparable Sales Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin	
Sale Number	Adj \$/SF
4	\$123.18
2	\$118.20
<b>Subject</b>	<b>\$116.00</b>
3	\$115.16
1	\$109.40

**Conclusion**

Sales Comparison Approach Conclusions Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin			
<b>Building Size (SF)</b>	<b>X</b>	<b>Opinion of Value per SF</b>	<b>= Opinion of Value</b>
391,005		\$116.00	\$45,356,580
		<b>Rounded To</b>	<b>\$45,355,000</b>

The concluded as-is value opinion of the subject, as of September 5, 2025, via the sales comparison approach, is **Forty-Five Million Three Hundred Fifty-Five Thousand Dollars (\$45,355,000)**.

As additional support for the subject property being at highest and best use as a single tenant office building, the appraiser researched office buildings throughout the Midwest that were being sold to be redeveloped into alternate use such as residential housing, senior housing, school or other special purpose use without demolition: The search had an emphasis on similarly sized cities and within the respective downtown areas. The appraiser found 7 such sales dating back to 2022 that are deemed most similar in their respective locations

**1 50 E Superior St** ★★★★☆ Office  
Chicago, IL 60611 (Cook County) - North Michigan Avenue Submarket

Sold	4/4/2025	Land Area	0.56 AC/24,394 SF
Sale Price	\$5,700,000 (\$5769/SF)	Sale Comp Status	Research Complete
RBA (% Leased)	98,800 SF (0%)	Sale Comp ID	7192799
Price Status	Confirmed	Parcel Numbers	17-10-101-016-0000
Built	1925	Sale Conditions	High Vacancy Property +1



**2 130 E Washington St - 130 E Washington Street** ★★★★☆ Office  
Indianapolis, IN 46204 (Marion County) - CBD Submarket

Sold	12/20/2024	Land Area	0.46 AC/20,038 SF
Sale Price	\$9,750,000 (\$45.99/SF)	Sale Comp Status	Research Complete
RBA (% Leased)	212,000 SF (65.0%)	Sale Comp ID	7020631
Price Status	Confirmed	Parcel Numbers	49-11-01-240-130.000-101
Built/Renovated	1923/1969	Sale Conditions	Redevelopment Project



**3 118 S Clinton St** ★★★★☆ Office  
Chicago, IL 60661 (Cook County) - West Loop Submarket

Sold	5/1/2024	Land Area	0.26 AC/11,326 SF
Sale Price	\$4,800,000 (\$66.65/SF)	Sale Comp Status	Research Complete
RBA (% Leased)	72,018 SF (36.0%)	Sale Comp ID	6718646
Price Status	Confirmed	Parcel Numbers	17-16-107-023-0000
Built/Converted	1904/June 2025	Sale Conditions	High Vacancy Property +1



**4 Portfolio Sale**  
2 Office & Specialty Properties

Number of Properties	2	Land Area	1.02 AC/44,444 SF
Primary Properties	Office & Specialty	Price/AC Land	\$28,177,987
Sold	8/31/2023	Price/SF Land	\$646.88
Sale Price	\$28,750,000 (\$48.89/SF)	Sale Comp Status	Research Complete
Total Size	588,000 SF	Sale Conditions	Distress Sale +2
Price Status	Confirmed	Sale Comp ID	6498403



**5 400 S 18th St - Station Place**  
Saint Louis, MO 63103 (St. Louis City County) - CBD Submarket



Sold	2/2/2023	Land Area	1.43 AC/62,291 SF
Sale Price	\$6,532,500 (\$51.03/SF)	Sale Comp Status	Research Complete
RBA (% Leased)	128,015 SF (0%)	Sale Comp ID	6312015
Price Status	Approximate	Parcel Numbers	0221-00-0035-0
Built	1994	Sale Conditions	Redevelopment Project



**6 222 E Ohio St - Wulsin**  
Indianapolis, IN 46204 (Marion County) - CBD Submarket



Sold	5/20/2022	Land Area	018 AC/7,841 SF
Sale Price	\$2,681,250 (\$43.78/SF)	Sale Comp Status	Research Complete
RBA (% Leased)	61,248 SF (100%)	Sale Comp ID	6022784
Price Status	Confirmed	Parcel Numbers	49-11-01-136-001.000-101
Built/Renovated	1912/1981	Sale Conditions	Redevelopment Project



**7 Portfolio Sale**  
2 Office & Specialty Properties

Number of Properties	2	Price/AC Land	\$5,229,628
Primary Properties	Office & Specialty	Price/SF Land	\$120.06
Sold	3/25/2022	Actual Cap Rate	3.32%
Sale Price	\$5,500,000 (\$64.20/SF)	Sale Comp Status	Research Complete
Total Size	85,666 SF	Sale Conditions	Redevelopment Project
Price Status	Confirmed	Sale Comp ID	5953559
Land Area	1.05 AC/45,812 SF		



These sales range from \$43.78 per square foot to \$66.65 per square foot of gross leasable area, indicating a drastically lower price per square foot for redevelopment as it relates to the determined \$116 per square foot for single tenant office building sold for use as an office.

## INCOME APPROACH

### Contract Rental Rates

The subject is currently owner-occupied by the State of Wisconsin. Market rental rates were utilized for the subject property.

### Rental Comparables

A survey of office market rents throughout the State of Wisconsin was conducted to estimate the market rental rate of the subject.



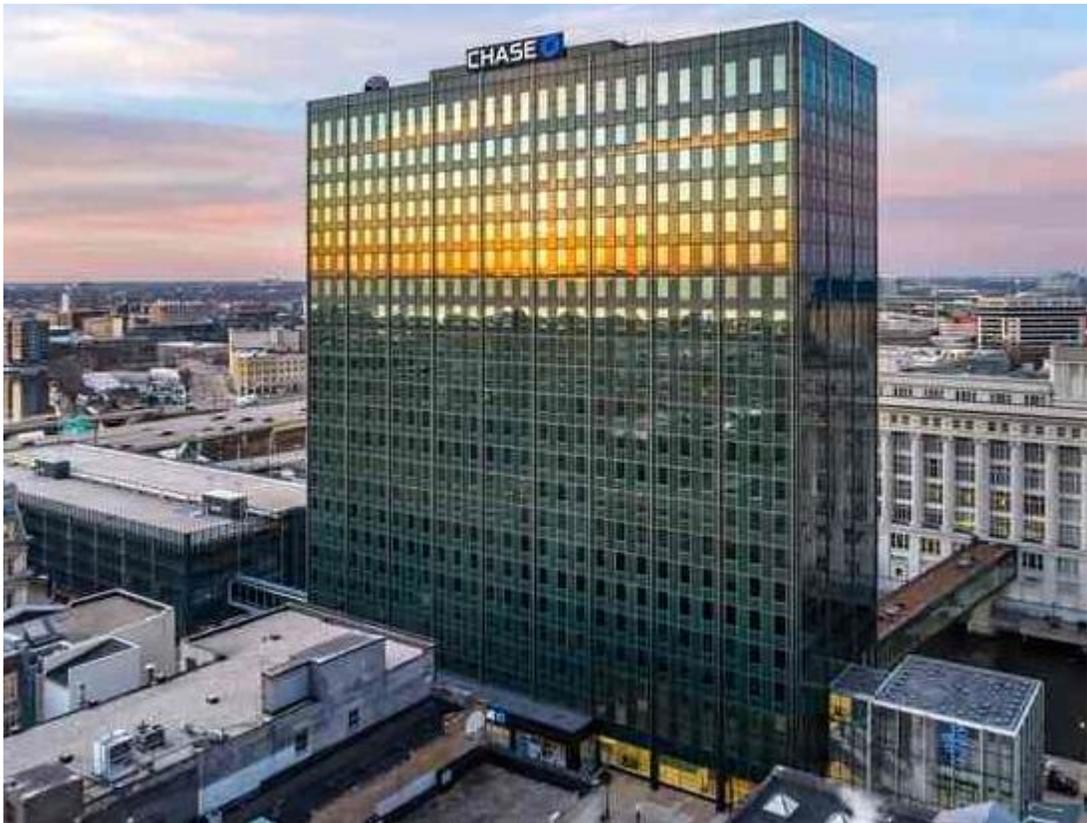
**Rental 1**  
1240 Deming Way, Madison



**Rental 2**  
1800 Deming Way, Middleton



**Rental 3**  
45 Nob Hill Road, Madison



**Rental 4**  
111 E Wisconsin Ave, Milwaukee

Rent Comparables Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin											
Address	Building Size (SF)	Unit Size (SF)	Lease Type	Actual / Asking	Rent/SF	Condition / Utility	Location	Actual / Asking	Size	Adjusted Rent/SF	Overall Comparison
1240 Deming Way Madison	70,550	61,410	NNN	Actual	\$20.50	-20%	10%	0%	-25%	\$13.33	Class A office unit located in Middleton just west of the subject. Surface parking available, in very good condition with modern build and aesthetic but a fair bit smaller than the subject.
1800 Deming Way Middleton	82,000	82,000	NNN	Actual	\$17.00	-10%	10%	0%	-25%	\$12.75	Single tenant Class A office building located in Middleton just west of Madison. In good condition and a fair bit smaller than the subject property.
45 Nob Hill Road Madison	100,000	51,050	NNN	Actual	\$13.00	0%	10%	0%	-25%	\$11.05	Unit within a two-tenant Class B office building located in the city of Madison. Average condition for its age, surface parking available and a fair bit smaller than the subject property.
111 E Wisconsin Ave Milwaukee	484,165	109,789	NNN	Asking	\$14.50	0%	0%	-10%	-15%	\$10.88	Larger unit located in a Class A office building in downtown Milwaukee. Covered parking available, in average condition but smaller than subject building.

**Array**

The above listed comparables are considered to be the closest and most similar properties available for analysis. The comparables show adjusted lease rates ranging from \$10.88 to \$13.33 per square foot triple net with a mean of \$12.00 per square foot. Based on the range of comparables, the subject’s market rent is determined to be \$12.00 per square foot triple net.

**Potential Gross Income**

Rent Roll Summary Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin				
Tenant	Size (SF)	Lease Terms	Market Rent/SF	Potential Gross Income
Owner Occupied	391,005	NNN	\$12.00	\$4,692,060

**Vacancy and Collection Loss**

According to *Costar* the overall vacancy rate for retail properties in Madison Central Campus Office Market is 8.5%. Considering collection loss as well, the stabilized market vacancy and collection loss is determined to be 10.0%.

**Effective Gross Income**

The subject’s effective gross income is the income generated by the subject after vacancy and collection loss is deducted from the potential gross income. This calculation is shown below.

Effective Gross Income Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin		
Potential Gross Income		\$4,692,060
Less: Vacancy/Collection	10.00%	\$469,206
Effective Gross Income		\$4,222,854

## Operating Expense Analysis

Typically, triple net properties have all expenses (real estate taxes, CAM, insurance, utilities) paid by the tenant with the exception of structural reserves, along with small amounts of miscellaneous lessor expenses and management. Historical operating expenses were not provided by the owner. Expenses from similar properties were utilized. The table below shows the operating expenses used in the analysis.

Operating Expenses Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin	
Lessor Expenses	\$84,457
Management Fee	\$126,686
Replacement Reserves	<u>\$136,852</u>
Total Operating Expenses	\$347,994

### *Lessor Expenses*

These are miscellaneous expenses that are not reimbursed by the tenant under NNN terms, estimated at 2% of the effective gross income.

### *Management Fee*

The management fee is 3% of the effective gross income.

### *Reserves*

Reserves are included as a line-item adjustment as prudent investors typically establish a reserve for replacement of some short-lived items. The reserves are estimated at \$0.35 per gross square foot which is typical of a building of this vintage and size.

## Net Operating Income

The table below shows the calculation of the subject's net operating income.

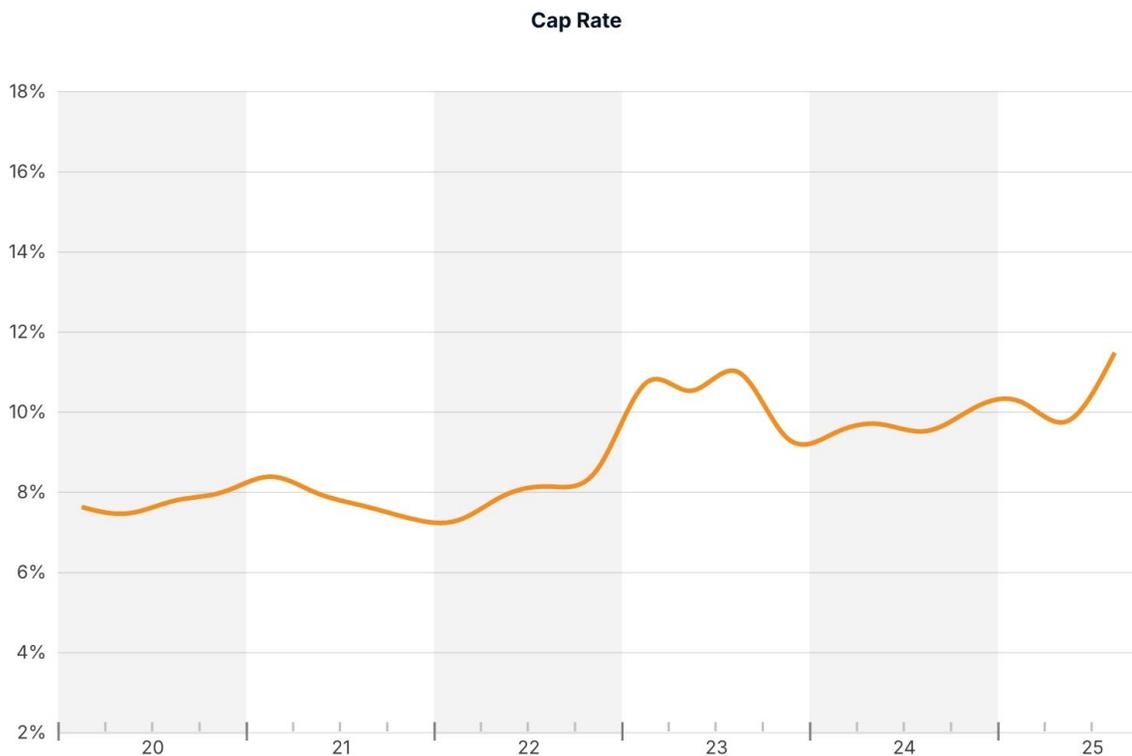
Net Operating Income Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin	
Potential Gross Income	\$4,692,060
Less: Vacancy/Collection	10.0% <u>\$469,206</u>
Effective Gross Income	\$4,222,854
Total Operating Expenses	8.2% <u>\$347,994</u>
Net Operating Income	\$3,874,860

**Capitalization Rate**

In the income approach, three methods are used for estimating the capitalization rate for direct capitalization as seen below.

***Comparable Sales***

Sales of office buildings throughout the Midwest with actual income and expense information over 100,000 square feet that have sold since 2022 were researched and analyzed. These capitalization rates ranged from 5.0% to 16.8 with an average of 8.9%. A graph showing the trend of the capitalization rates is included below.



In addition, the appraiser included several sales on the following pages with cap rates to help further illustrate the range of cap rates for investment properties with typical lease terms, ranging from 8.20% to 8.94%.

**1 1100 Cimmie Ave NE**  
Cedar Rapids, IA 52402 (Linn County) - Iowa City/Waterloo Submarket

★★★★☆☆ Office

Sold	7/26/2022	Actual Cap Rate	8.81%
Sale Price	\$10,000,000 (\$99.67/SF)	Sale Comp Status	Research Complete
RBA (% Leased)	100,329 SF (100%)	Sale Comp ID	6093447
Price Status	Confirmed	Parcel Numbers	11343-76006-00000
Built	2005	Sale Conditions	1031 Exchange +1
Land Area	10.91 AC/475,240 SF		



Type	Name	Location	Phone
Recorded Buyer	31990 Temecula Pkwy Llc	-	-
True Buyer	Bedros & Seta Manouchekian	Los Angeles, CA 90046	(323) 874-4612
Recorded Seller	Busse Investments Inc & Cimmie LLC	Cedar Rapids, IA 52411	-
Recorded Seller	Cimmie Llc	-	-
True Seller	Busse Investments, Inc.	Cedar Rapids, IA 52402	(319) 395-9636

**2 5300 Kings Island Dr**  
Mason, OH 45040 (Warren County) - Mason/Montgomery Submarket

★★★★☆☆ Office

Sold	7/14/2020	Land Area	15.30 AC/666,468 SF
Sale Price	\$9,344,388 (\$58.61/SF)	Actual Cap Rate	8.94%
RBA (% Leased)	159,421 SF (100%)	Sale Comp Status	Research Complete
Price Status	Confirmed	Sale Comp ID	5180425
Built/Renovated	1982/2015	Parcel Numbers	16-18-276-002



Type	Name	Location	Phone
Recorded Buyer	HJH Mason 1 LLC	-	-
True Buyer	HJH Investments	Wichita, KS 67202	(469) 702-1031
Recorded Seller	LSREF4 Rebound (MA), LLC	Dallas, TX 75204	-
True Seller	Lone Star Funds	Dallas, TX 75206	(214) 754-8300

**3 5500 Frantz Rd - Scioto Corporate Center**  
Dublin, OH 43017 (Franklin County) - Dublin Submarket

★★★★☆☆ Office

Sold	3/4/2022	Land Area	700 AC/304,920 SF
Sale Price	\$8,860,000 (\$88.60/SF)	Actual Cap Rate	8.63%
RBA (% Leased)	100,000 SF (100%)	Sale Comp Status	Research Complete
Price Status	Confirmed	Sale Comp ID	5908179
Built	1986	Parcel Numbers	273-005366



Type	Name	Location	Phone
Recorded Buyer	Main & Nelson Station LLC	-	-
True Buyer	Keller Farms Landscape Nursery	Columbus, OH 43232	(614) 866-9551
Recorded Seller	Frantz Investments Llc	Dublin, OH 43017	-

Type	Name	Location	Phone
True Seller	Allegiance Administrators LLC	Dublin, OH 43017	(614) 726-3150

**4 620 S 76th St - Fair Park Business Center**  
Milwaukee, WI 53214 (Milwaukee County) - West Allis Submarket



Sold	8/25/2022	Actual Cap Rate	8.44%
Sale Price	\$14,600,000 (\$121.70/SF)	Sale Comp Status	Research Complete
RBA (% Leased)	119,971 SF (100%)	Sale Comp ID	6131563
Price Status	Confirmed	Parcel Numbers	419-0731-000
Built/Renovated	1948/2007	Sale Conditions	1031 Exchange
Land Area	5.60 AC/243,849 SF		



Type	Name	Location	Phone
Recorded Buyer	Beau Pere Real Estate	Elmsford, NY 10523	(203) 536-8535
True Buyer	Beau Pere Real Estate	Elmsford, NY 10523	(203) 536-8535
Recorded Seller	Fair Park Property Group, LLC	Madison, WI 53719	-
True Seller	SARA Investment Real Estate	Madison, WI 53704	(608) 852-8777

**5 1335 Dublin Rd - Rivers Edge Corporate Center**  
Columbus, OH 43215 (Franklin County) - West Submarket



Sold	5/1/2025	Actual Cap Rate	8.29%
Sale Price	\$7850,000 (\$61.70/SF)	Pro Forma Cap Rate	8.29%
RBA (% Leased)	127,237 SF (90.0%)	Sale Comp Status	Research Complete
Price Status	Confirmed	Sale Comp ID	7151361
Built/Renovated	1959/1989	Parcel Numbers	010-129568 +2
Land Area	9.41 AC/409,900 SF		



Type	Name	Location	Phone
Recorded Buyer	Columbus Lucky Center Llc	-	-
True Buyer	Jia Deng Chen	Columbus, OH 43224	(614) 846-0408
True Buyer	Yitao Wang	Columbus, OH 43220	(216) 825-3146
Recorded Seller	RiversEdge Limited Partnership	-	-
True Seller	Clayton Ross	Columbus, OH 43214	(614) 451-6722

**6 1401 S Brentwood Blvd - CIBC Place**  
Brentwood, MO 63144 (St. Louis County) - Clayton Submarket



Sold	4/2/2025	Land Area	1.43 AC/62,291 SF
Sale Price	\$34,300,000 (\$201.58/SF)	Actual Cap Rate	8.20%
RBA (% Leased)	170,157 SF (95.0%)	Sale Comp Status	Research Complete
Price Status	Full Value	Sale Comp ID	7121393
Built/Renovated	1989/2005	Parcel Numbers	20K-51-0202 +1



Type	Name	Location	Phone
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**Band of Investment Model**

A capitalization rate is the relationship between net income and value. It is a composite of the cost of debt service and the net cash flow requirements of an equity investor. Based on conversations with informed real estate personnel, a typical purchaser with good credit could expect financing terms with 80% mortgage financing at an interest rate of 6.50% and an amortization period 30 years.

Discussions with informed real estate personnel and mortgage lenders indicate a prospective equity dividend rate, or cash-on-cash return, of 10% to 15% is required to attract 20% equity capital. An equity dividend rate of 12% was therefore included to account for the subject’s average risk. On this basis, an overall capitalization rate is developed via the band of investment model is shown below:

$$R_0 = (m)(R_m) + (1-m)(R_e)$$

Whereby:

- m is the percentage of funds provided by the mortgage lender (the loan-to-value ratio)
- R<sub>m</sub> is the cash return to the lender (the monthly loan constant multiplied by twelve)
- (1-m) is the percentage of funds provided by the equity investor (the down payment)
- R<sub>e</sub> is the cash return to the equity investor (the equity dividend rate)

Therefore, the band of investment model indicates a capitalization rate of 8.47%.

Band of Investment Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin					
R <sub>0</sub>	=	(m)	(R <sub>m</sub> )	+	(1-m) (R <sub>e</sub> )
R <sub>0</sub>	=	0.8000	0.0758	+	0.2000 0.1200
R <sub>0</sub>	=	0.0607		+	0.0240
R <sub>0</sub>	=	0.0847			

**Investor Surveys**

The *PwC Real Estate Investor Survey* for the third quarter of 2025 shows overall capitalization rates for the National Central Business District (institutional) at 5.00% to 9.50%, with an average of 7.17%. *RealtyRates.com* indicates a national average for central business district office properties at 10.41% according to the most recent third quarter 2025 investor study.

**Capitalization Rate Conclusion**

The table below summarizes the capitalization rates by the three approaches discussed above.

Summary of Capitalization Rates Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin	
Range of Comparable Office Buildings in Midwest (2022 - 2025)	5.0% - 16.8%
Average of Comparable Office Buildings in Midwest (2022 - 2025)	8.90%
Band of Investment	8.47%
PwC National Central Business District Market Range - 3rd Qtr 2025 (Institutional)	5.0% - 9.5%
PwC National Central Business District Market Average - 3rd Qtr 2025 (Institutional)	7.17%
RealtyRates.com Central Business District Average - 3rd Qtr 2025	10.41%

Based on the above cap rate support of comparable southeastern Wisconsin sales and investor surveys, in addition to the supplemental actual cap rates shown on page 92 and 93 and band of investment method, the appraiser concluded to a capitalization rate of 8.50%.

## Conclusion

Income Capitalization Approach Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin			
	Amount	\$/SF	% of EGI
Potential Gross Income	\$4,692,060	\$12.00	
Less: Vacancy/Collection	\$469,206	\$1.20	
Effective Gross Income	\$4,222,854	\$10.80	100.0%
Expenses			
Lessor Expenses	\$84,457	\$0.22	2.0%
Management Fee	\$126,686	\$0.32	3.0%
Replacement Reserves	\$136,852	\$0.35	3.2%
Total Expenses	\$347,994	\$0.89	8.2%
Net Operating Income	\$3,874,860	\$9.91	91.8%
Capitalization Rate	8.50%		
Income Approach	\$45,586,583		
<b>As Is, Rounded</b>	<b>\$45,585,000</b>		

The concluded as is value opinion of the subject, as of September 5, 2025, via the income approach, is **Forty-Five Million Five Hundred Eighty-Five Thousand Dollars (\$45,585,000)**.

**RECONCILIATION AND MARKET VALUE OPINIONS**

In the previous sections of this report, the subject was described and analyzed. A summary of these value indications is as follows:

<b>Reconciliation                      Single Tenant Office Buildings                      101 &amp; 125 S Webster St                      Madison, Wisconsin</b>	
Value, Cost Approach	Not Applicable
Value, Sales Comparison Approach	\$45,355,000
Value, Income Approach	\$45,585,000
Overall Value	\$45,450,000

The subject was originally built 47 years ago; therefore physical deterioration would be relatively difficult to quantify. In addition, replacement cost less depreciation is not a method used by market participants to establish market value. Therefore, the cost approach was not considered applicable in the appraisal of the subject and is not included herein.

The sales comparison approach is a reliable indicator of value, as it is based on arms-length transactions that reflect all considerations of the marketplace. The subject’s market has been active and sales were available in the surrounding area. The search yielded several improved properties which were considered to be most similar to the subject. The adjustments applied to the comparables were well-supported. Significant consideration is given to the sales comparison approach in arriving at the market value opinion.

The income approach relies on market rental rates and expenses, with capitalization rates supported from multiple resources. Further, investors often rely heavily on the income approach; therefore, significant consideration is given to the income approach.

As a result of the analyses and conclusions of the market data, subject to the Certification, Appraisal Definitions, and Contingent and Limiting Conditions, contained herein, the value opinions of the subject as follows:

The as is value opinion of the subject, in fee simple estate interest, as of the effective date, September 5, 2025, is **Forty-Five Million Four Hundred Fifty Thousand Dollars (\$45,450,000)**.

**ALLOCATION OF VALUE**

At the request of the client, this analysis uses the hypothetical condition that an allocated value is developed and is based on a pro-rata share of the total building area to value each building. Both buildings are situated on one parcel, with the underground parking being shared for both buildings via one entrance. The appraisers must add for the subject buildings being smaller than as two buildings for economies of scale. The subject at 101 South Webster Street is larger than 125 South Webster Street; therefore, a slightly lower adjustment is applied to 101 South Webster Street. A 10% upward adjustment is applied to 101 South Webster Street, while a 15% upward adjustment is applied to 125 South Webster Street. The allocated value opinion for each building is shown below.

Allocation of Value Single Tenant Office Buildings 101 & 125 S Webster St Madison, Wisconsin				
<b>Allocated Opinion of Value 101 S Webster St</b>				
Total Opinion of Market Value	X	Percentage of Total Bldg SF	=	Opinion of Value
\$45,450,000		57%		\$25,952,664
		Add 10% to Value for Only One Building:		\$28,547,931
		<b>Rounded To:</b>		<b>\$28,550,000</b>
<b>Allocated Opinion of Value 125 S Webster St</b>				
Total Opinion of Market Value	X	Percentage of Total Bldg SF	=	Opinion of Value
\$45,450,000		43%		\$19,497,336
		Add 15% to Value for Only One Building:		\$22,421,936
		<b>Rounded To:</b>		<b>\$22,420,000</b>

The opinion of allocated, hypothetical as is value of 101 South Webster Street is **Twenty-Eight Million Five Hundred Fifty Thousand Dollars (\$28,550,000)**.

The opinion of allocated, hypothetical as is value of 125 South Webster Street is **Twenty-Two Million Four Hundred Twenty Thousand Dollars (\$22,420,000)**.

## CONTINGENT AND LIMITING CONDITIONS

The certifications of the appraisers and conclusions of value contained herein are subject to the following conditions and to such other specific and limiting conditions as are set forth by the appraisers in the report.

1. This appraisal report is intended to comply with the general reporting requirements set forth under Standards Rule 2-2 of the Uniform Standards of Professional Appraisal Practice (USPAP). This report contains only a synopsis of the data, opinions and reasoning used by the appraisers in concluding the market value. Additional information is retained within the appraisers' file.
2. The appraisers assume no responsibility for legal matters affecting the property appraised or the title thereto, nor do the appraisers render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
3. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The appraisers have made no survey of the property.
4. The appraisers are not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made. Therefore, a fee of \$300.00 per hour per appraiser is to be paid by you for such appearances and the preparation necessitated thereby.
5. Any distribution of valuation in the report between land and improvements applies only under the existing program of utilization.
6. The appraisers assume there are no hidden or unapparent conditions of the property subsoil or structures that would render it more or less valuable. The appraisers assume no responsibility for such conditions, or for engineering which might be required to discover such factors.
7. Information, estimates and opinions furnished to the appraisers and contained in the report, were obtained from sources considered reliable and believed true and correct. However, the appraisers assume no responsibility for accuracy of such items furnished.
8. The Appraisal Institute governs disclosure of contents in this appraisal report by by-laws and regulations.
9. Neither all, nor any part, or copy thereof, of the report shall be used for any purposes by anyone, but the client specified, nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media without written consent and approval of the appraisers.
10. Neither this report, nor portions of this report, nor any non-public information contained within this report, can be released to or used for any purpose by any persons, organizations or data collection agencies, other than the party to whom it is addressed, without the express written consent of the client and appraisers as stated herein. If such written consent has been obtained, the report may only be used in its entirety (including addenda). Possession of this report does not carry with it the right of publication.

11. On all appraisals, subject to satisfactory completion, repairs or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a good workmanlike manner.
12. This report assumes that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
13. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in this report.
14. It is assumed that all required licenses, certificates of occupancy, or other legislative or administrative authority from any local, state, or national governmental, private entity or organization have been or can be obtained or renewed for any use on which the value conclusions contained in this report are based.
15. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
16. The appraisers are not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraisers that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous wastes and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. Unless otherwise stated in this report, the appraisers' value conclusion is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraisers' descriptions and resulting comments are the result of a routine observation made during the appraisal process.
17. Unless otherwise stated in this report, the subject is appraised without conducting a specific compliance survey to determine if it is or is not in conformance with the requirements of the Americans with Disabilities Act (ADA). The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
18. For all prospective opinions of value, the appraisers can not be held responsible for unforeseeable events that alter market conditions prior to the effective date of the appraisal.
19. This appraisal is based upon a limited visual inspection of readily accessible areas. It is not a property inspection, and should not be relied upon to identify non-apparent conditions.

# EXHIBITS

**EXHIBIT A - PHOTOGRAPHS**



Front View Both Buildings



Front 125 View



Front 101 View



Side 101 View



Rear 125 View



Plaza View



Interior View



Interior View



Interior View



Interior View



Interior View



Interior View



Interior View



Interior View



Interior View



Interior View



Interior View



Interior View



Parking View



Parking View



Street View



Street View

## EXHIBIT B - DEFINITIONS

The following terms are defined by the Appraisal Institute, in *The Dictionary of Real Estate Appraisal*, Seventh Edition, 2022, published by the Appraisal Institute.

**As-Is Market Value** - The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Interagency Appraisal and Evaluation Guidelines)

**Date of the Report** – The date on which the report is transmitted to the client.

**Discounted Cash Flow (DCF) Analysis** - The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate.

**Effective Date** - The date on which the appraisal opinion applies.

**Fee Simple Estate** - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

**Inspection Date** - The date on which an inspection is performed; distinct from, but often the same as, the date of the value opinion.

**Leased Fee Interest** – The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

**Market Value of the Going Concern** - The market value of an established and operating business including the real property, personal property, financial assets, and the intangible assets of the business.

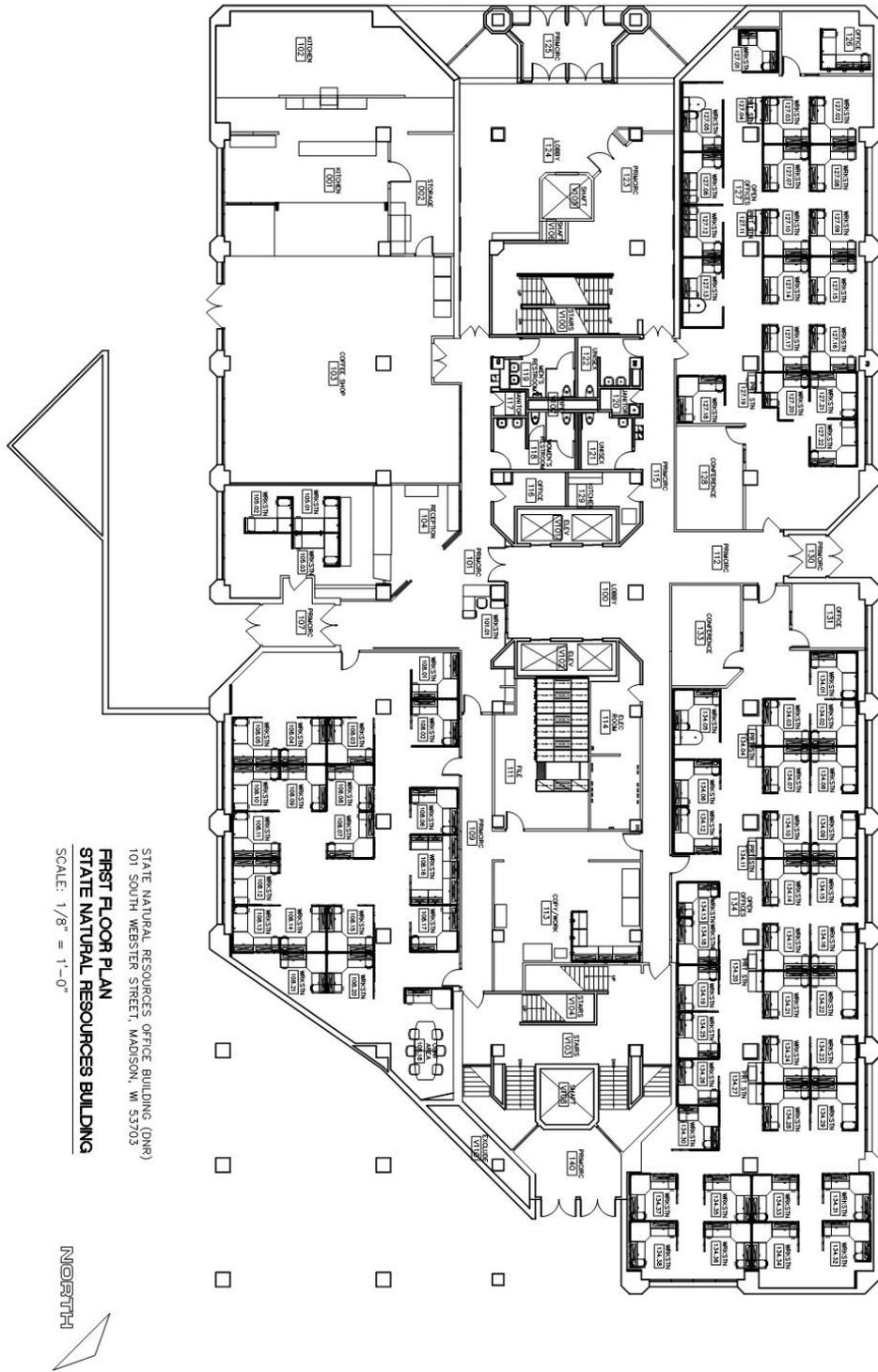
**Prospective Opinion of Value** - A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under

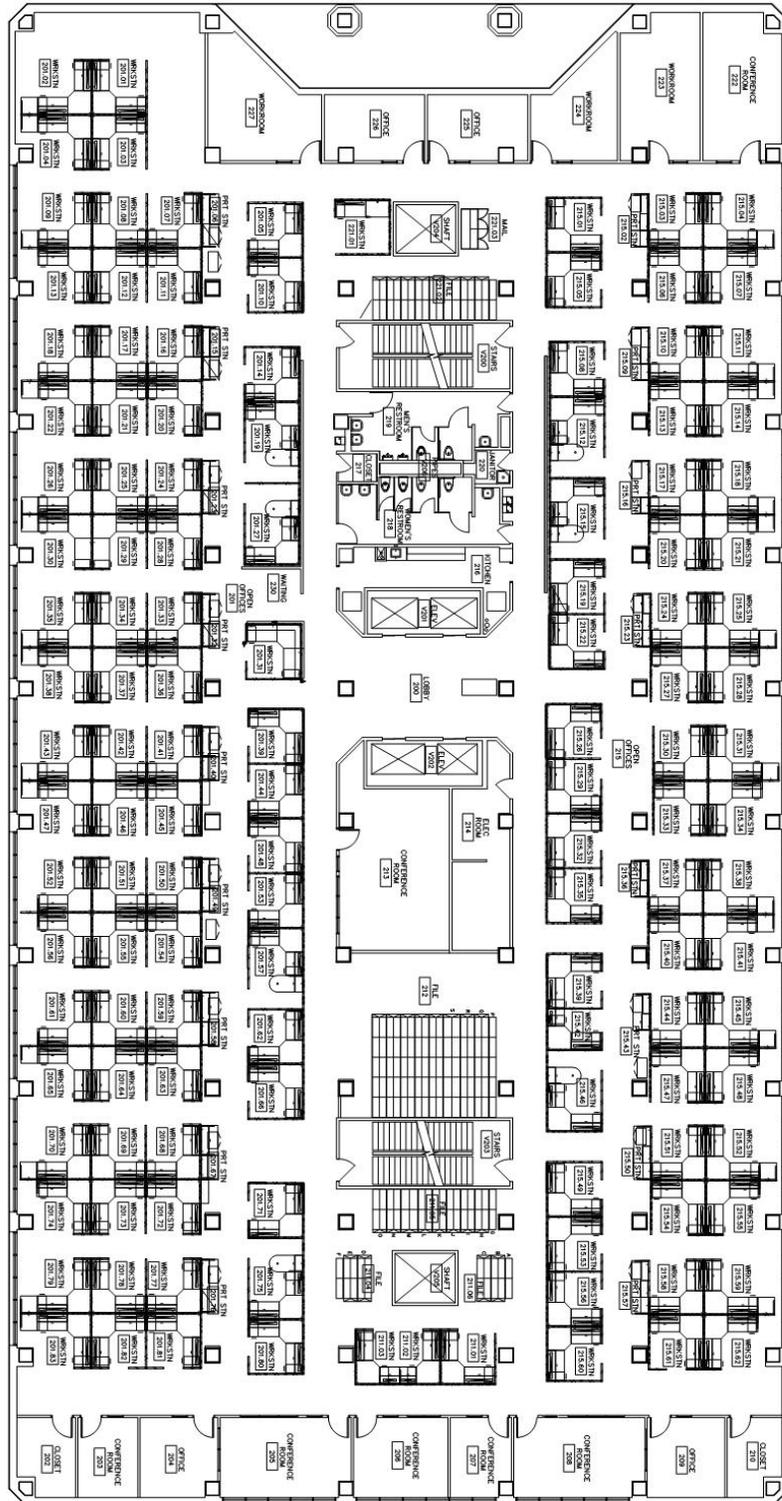
conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

**Retrospective Value Opinion** - A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., “retrospective market value opinion.”

**Salvage Value** - The price expected for a whole property (e.g., a house) or a part of a property (e.g., a plumbing fixture) that is removed from the premises usually for use elsewhere.

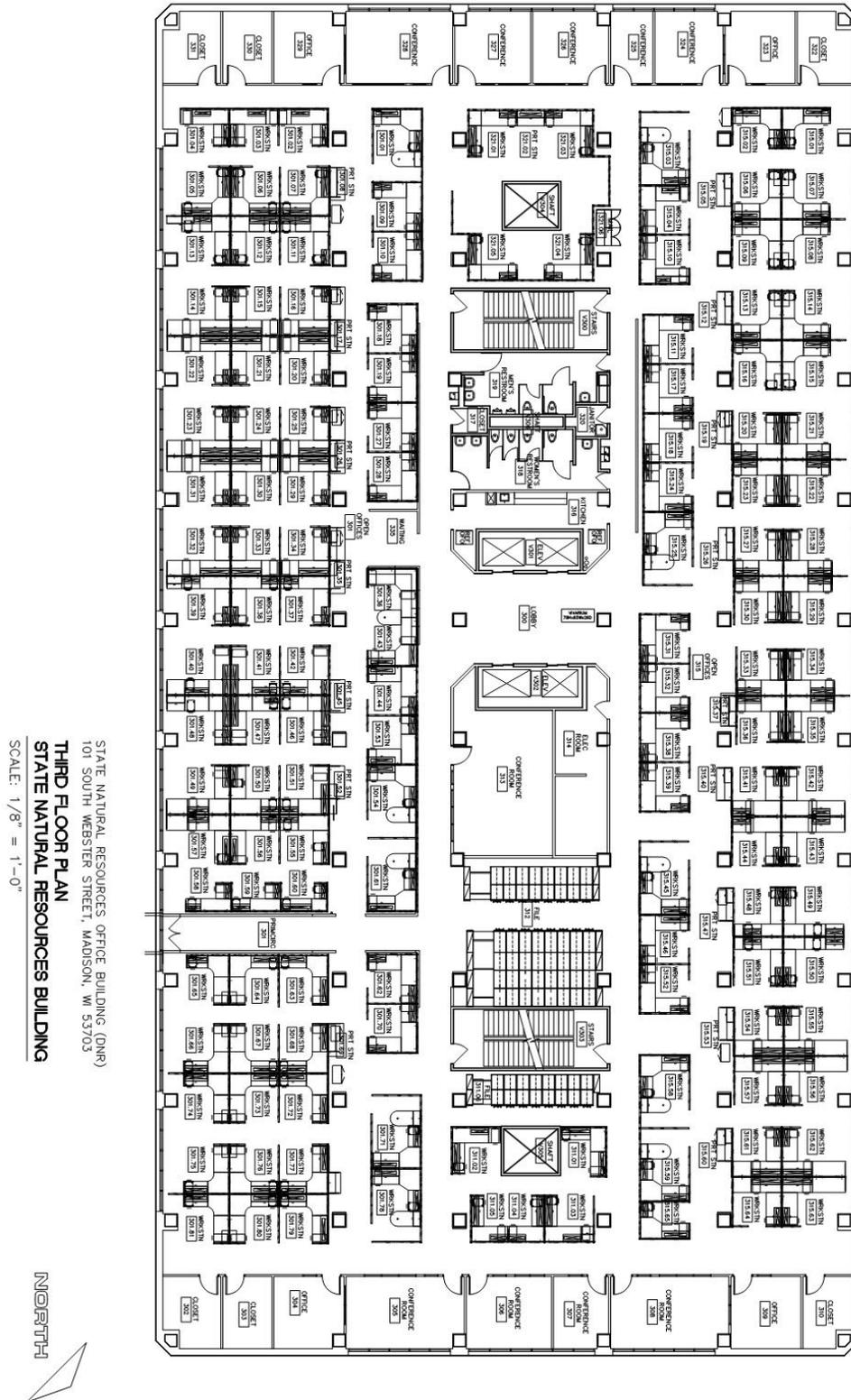
**EXHIBIT C – FLOOR PLANS**



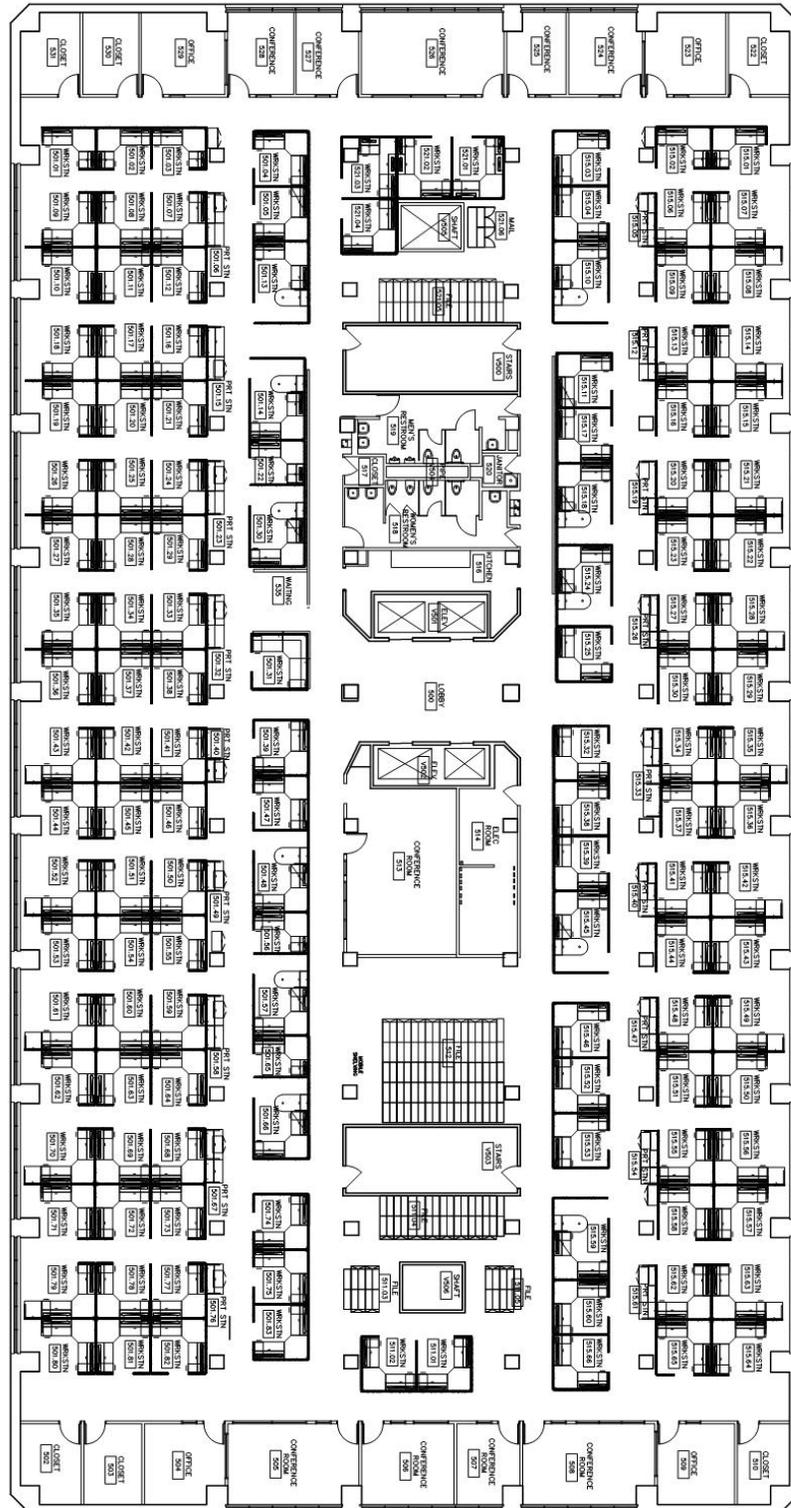


STATE NATURAL RESOURCES OFFICE BUILDING (DNR)  
101 SOUTH WEBSTER STREET, MADISON, WI 53703  
**SECOND FLOOR PLAN**  
**STATE NATURAL RESOURCES BUILDING**  
SCALE: 1/8" = 1'-0"



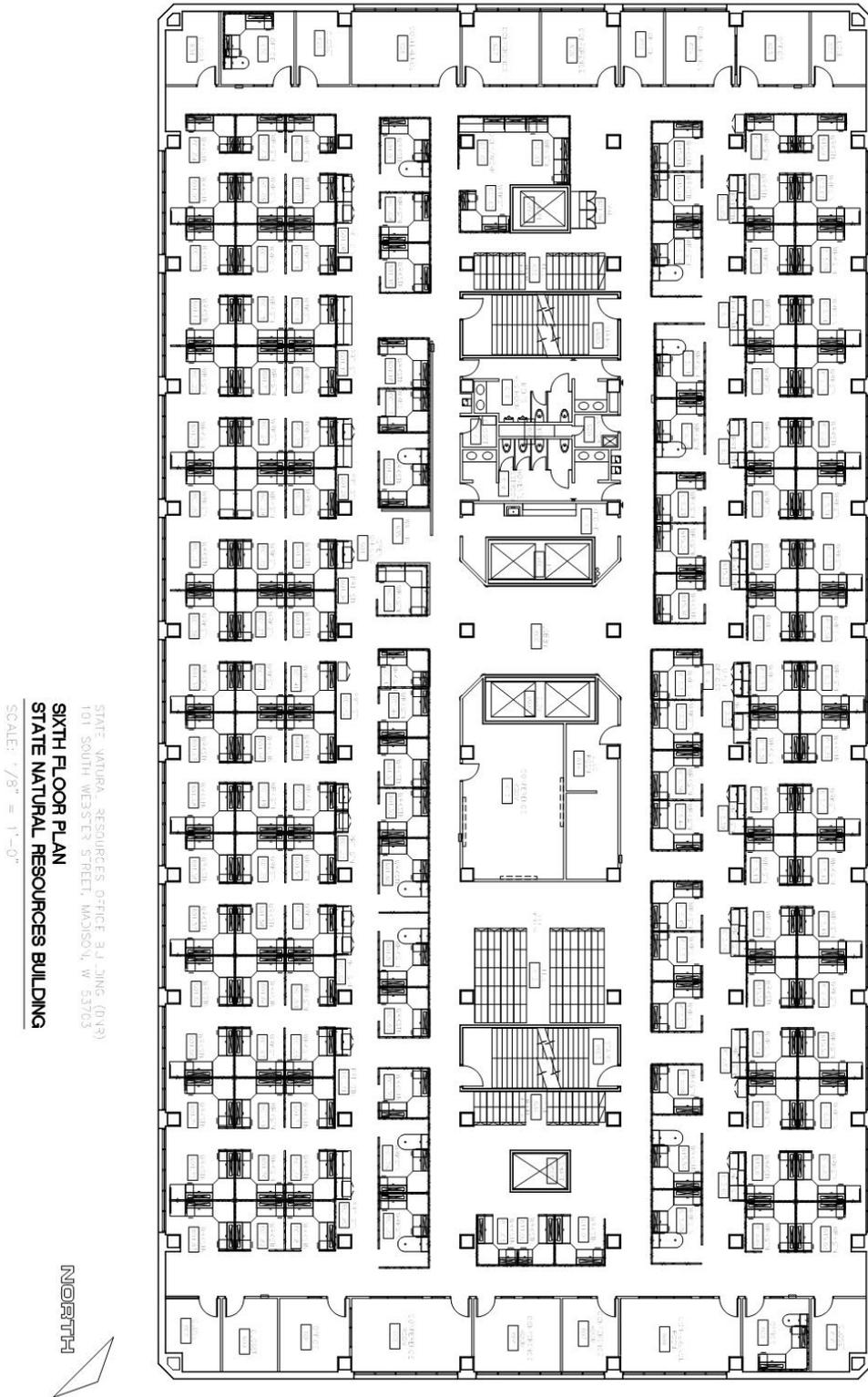


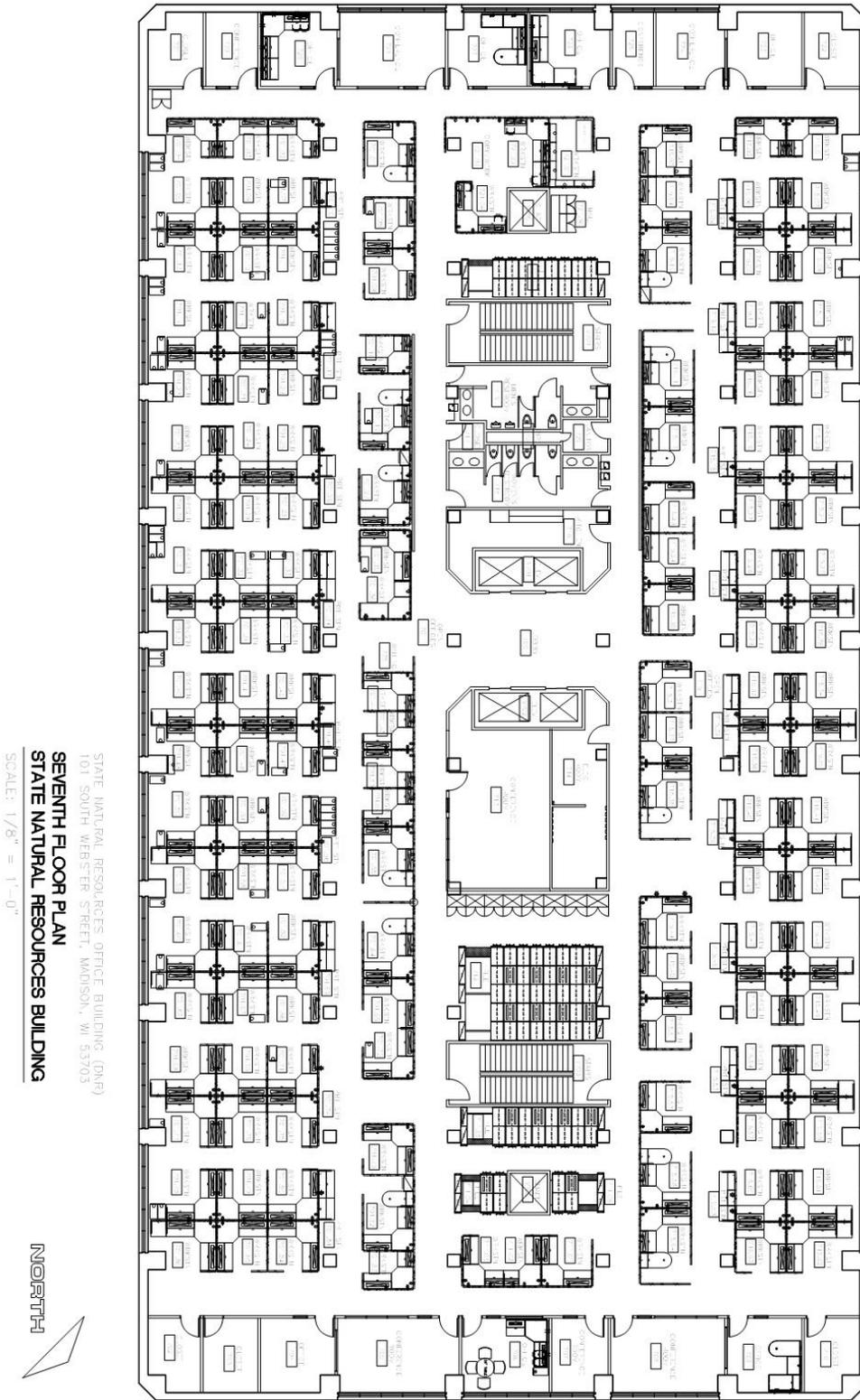




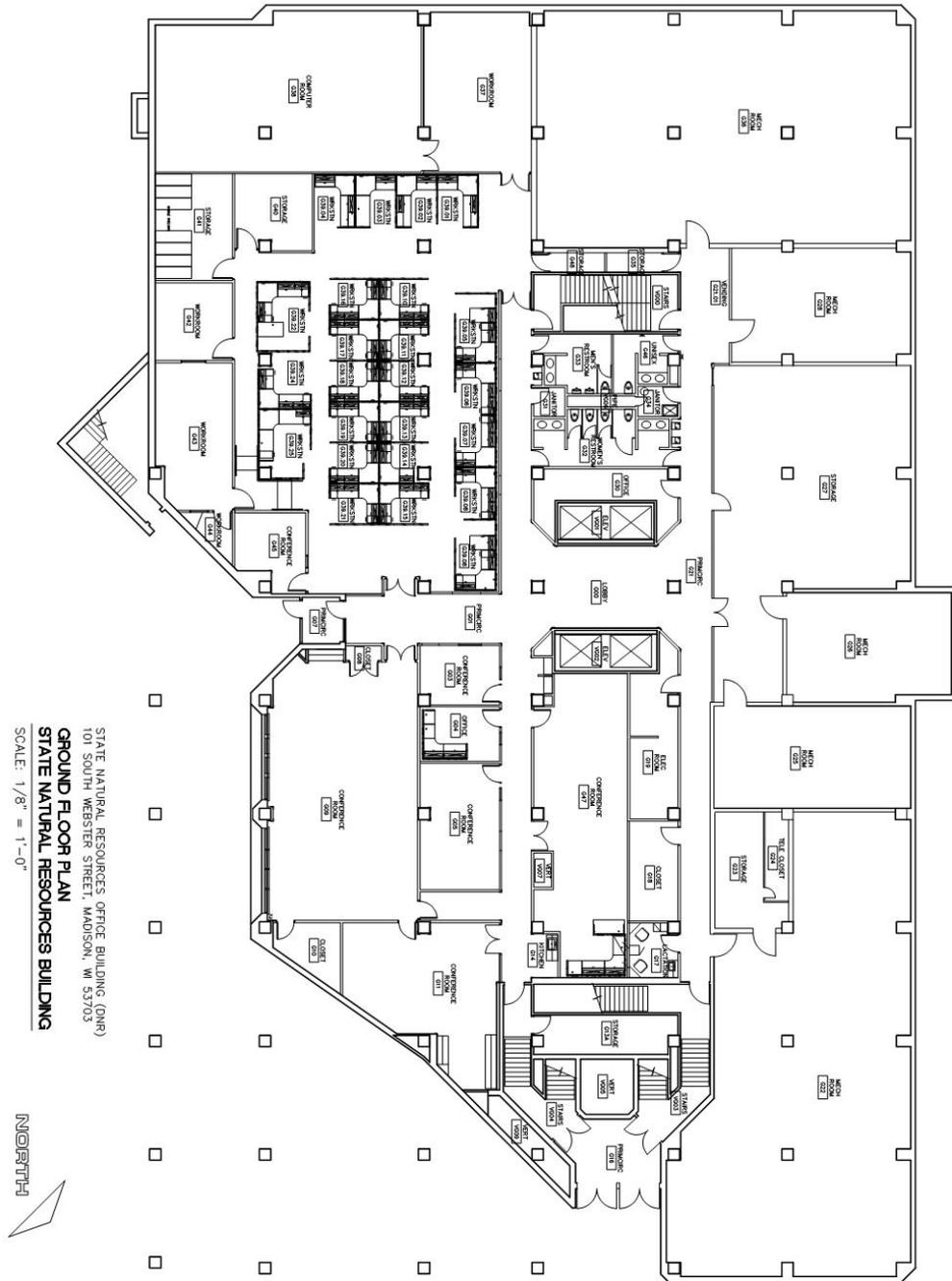
STATE NATURAL RESOURCES OFFICE BUILDING (ONR)  
101 SOUTH WEBSTER STREET, MADISON, WI 53703  
**FIFTH FLOOR PLAN**  
STATE NATURAL RESOURCES BUILDING  
SCALE: 1/8" = 1'-0"

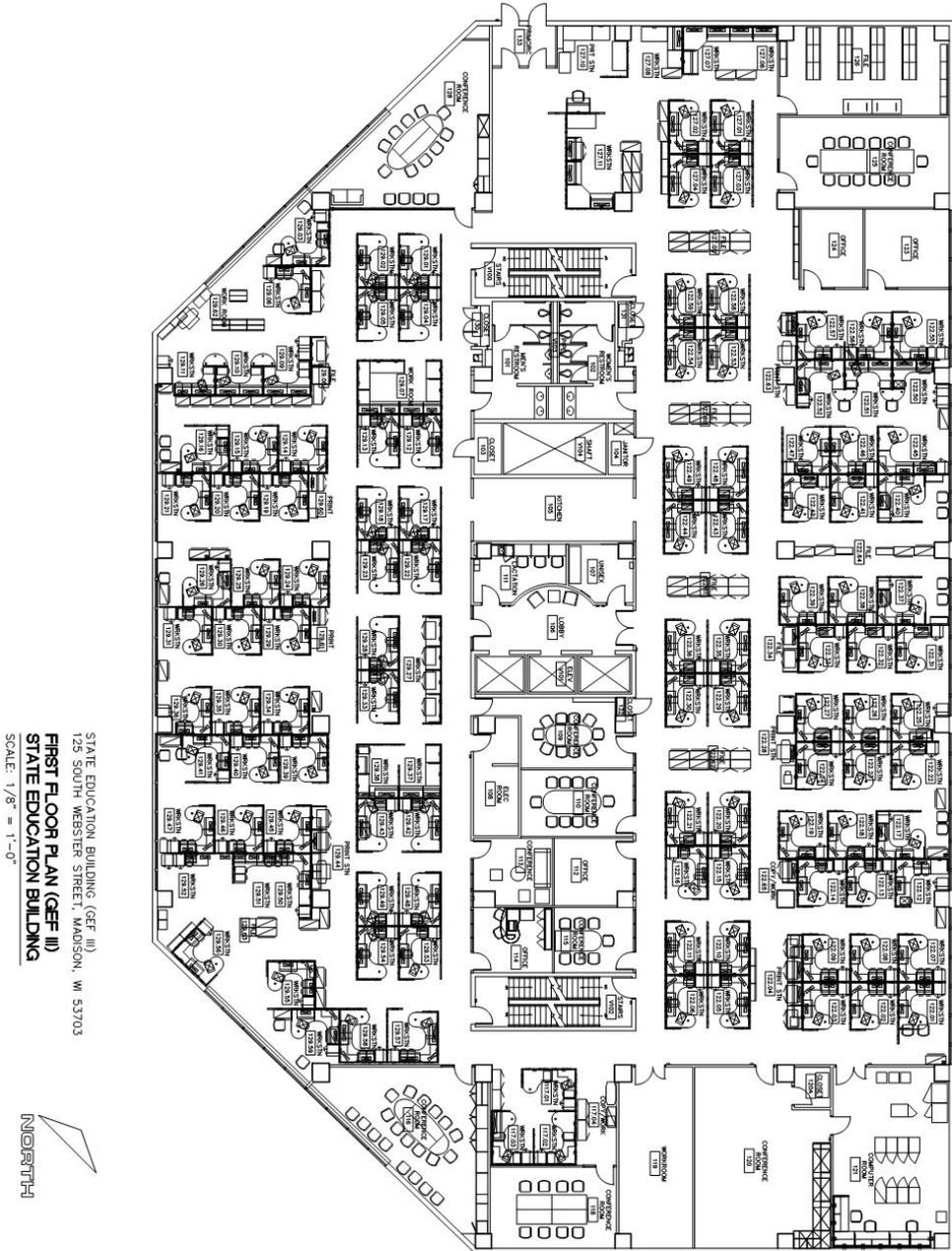


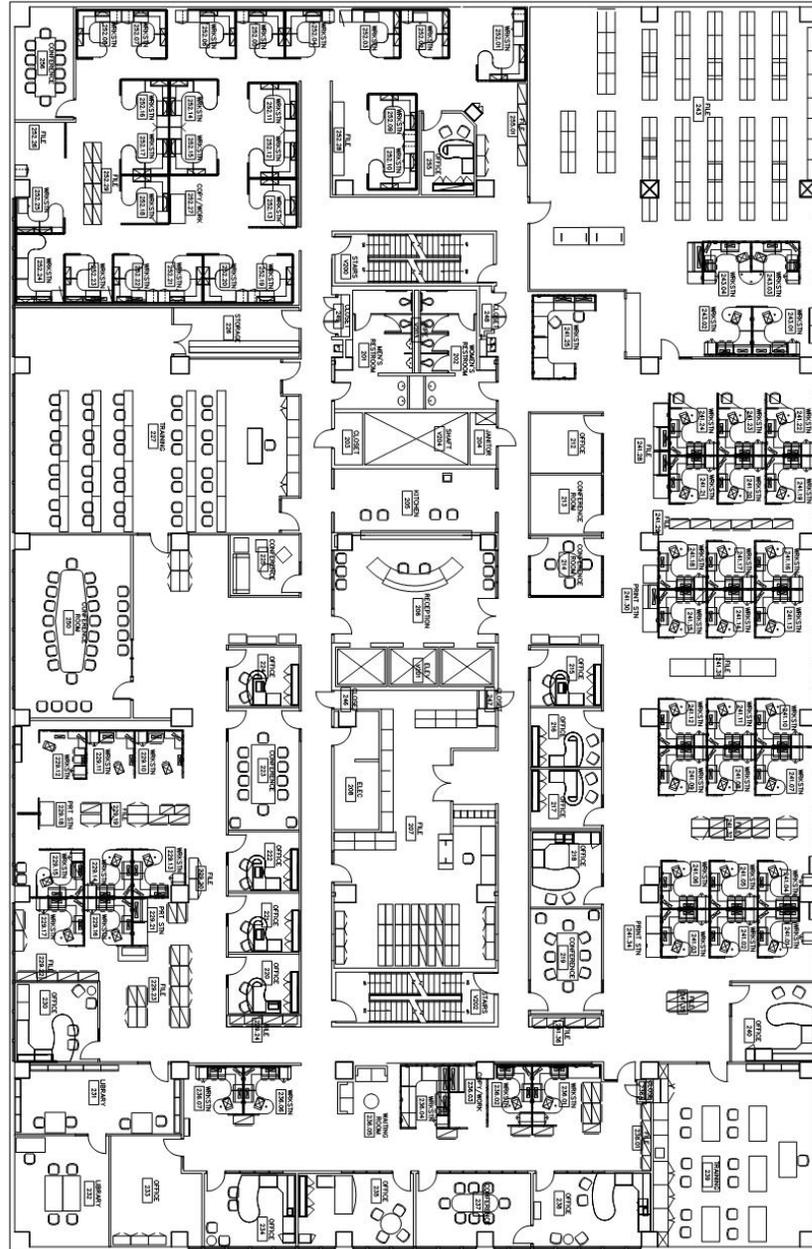






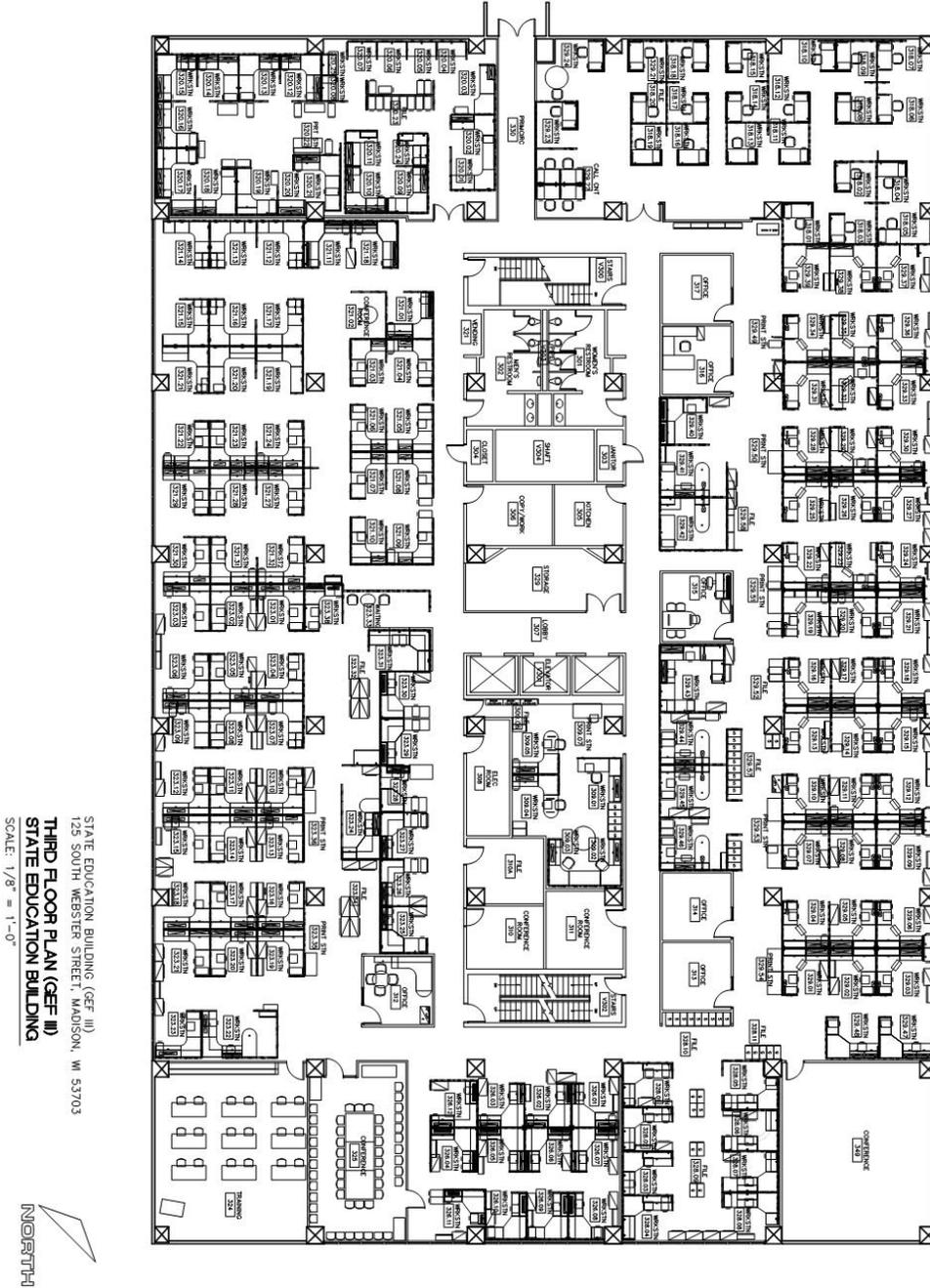


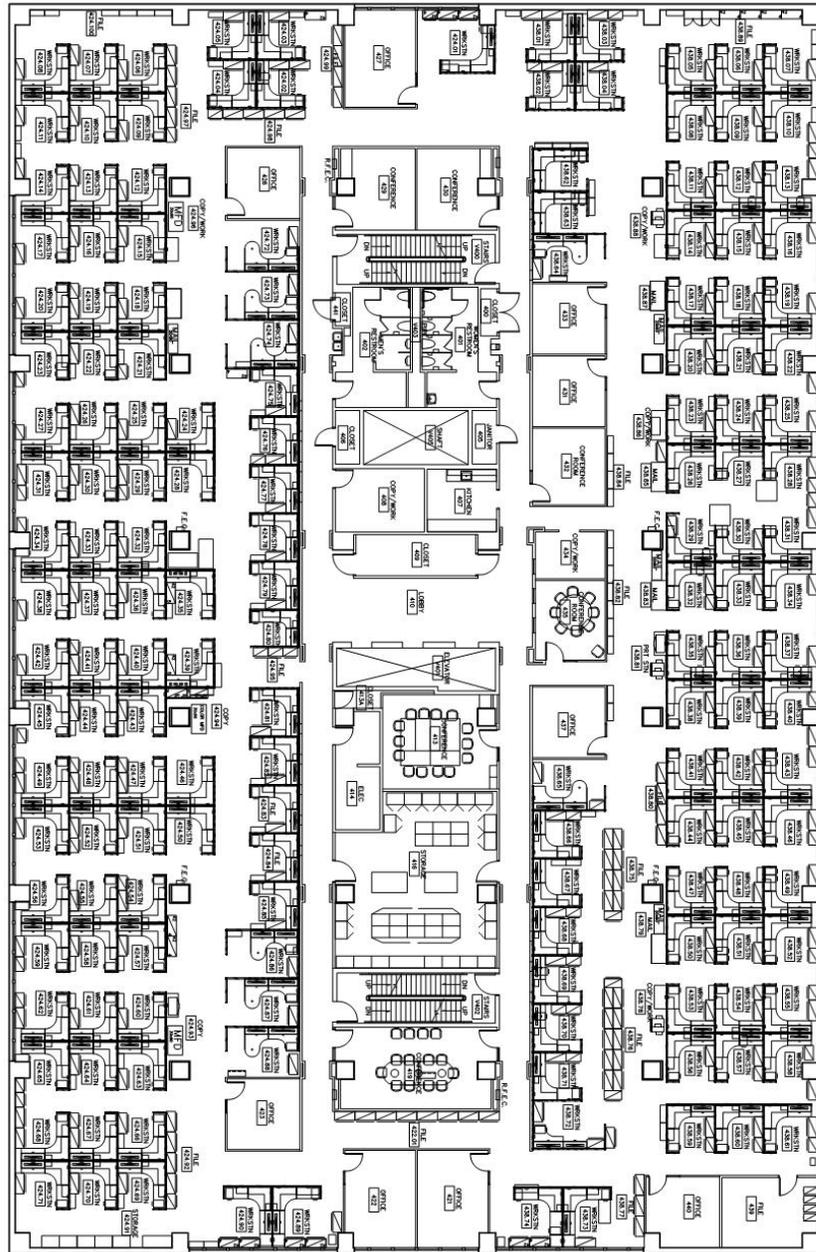




STATE EDUCATION BUILDING (SEF III)  
125 SOUTH WEBSTER STREET, MADISON, WI 53703  
**SECOND FLOOR PLAN (SEF III)**  
STATE EDUCATION BUILDING  
SCALE: 1/8" = 1'-0"

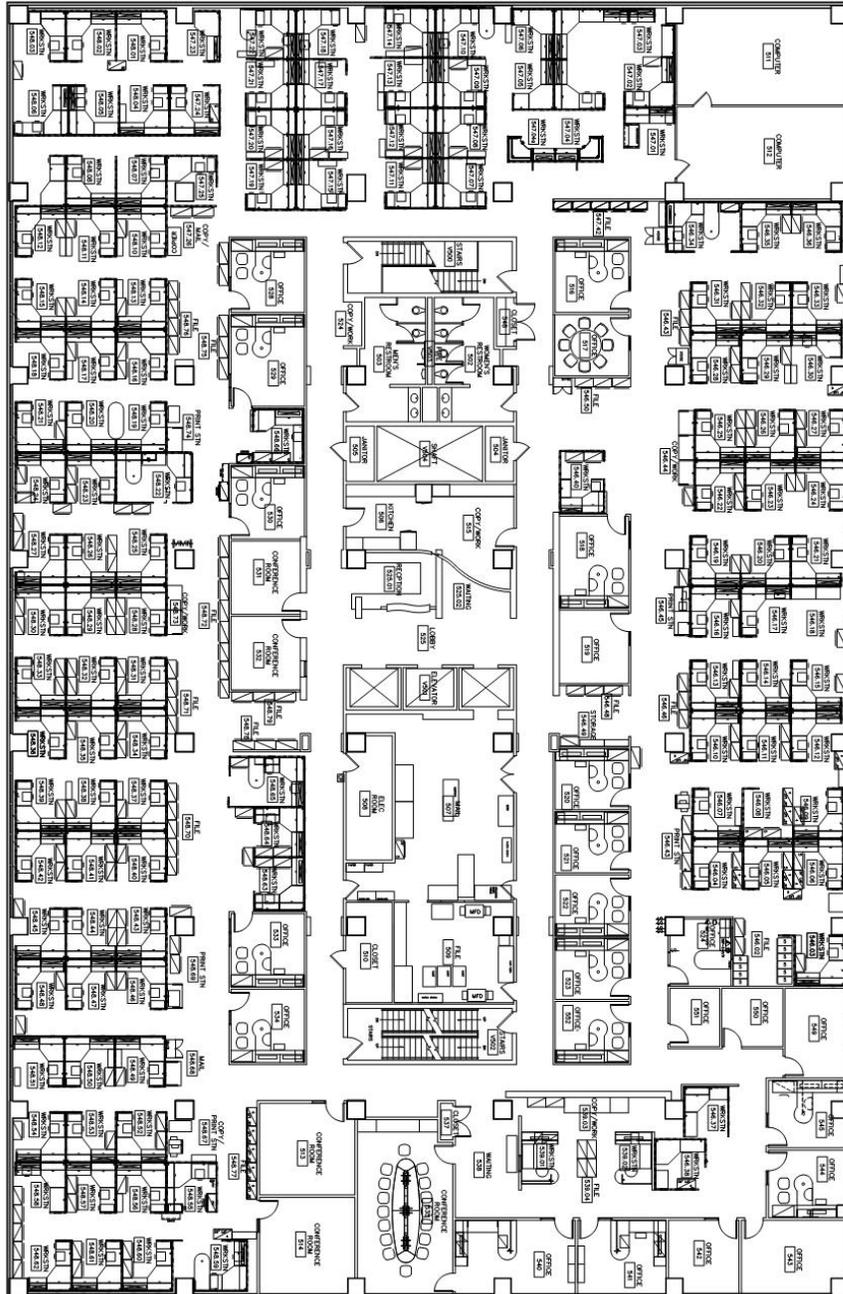






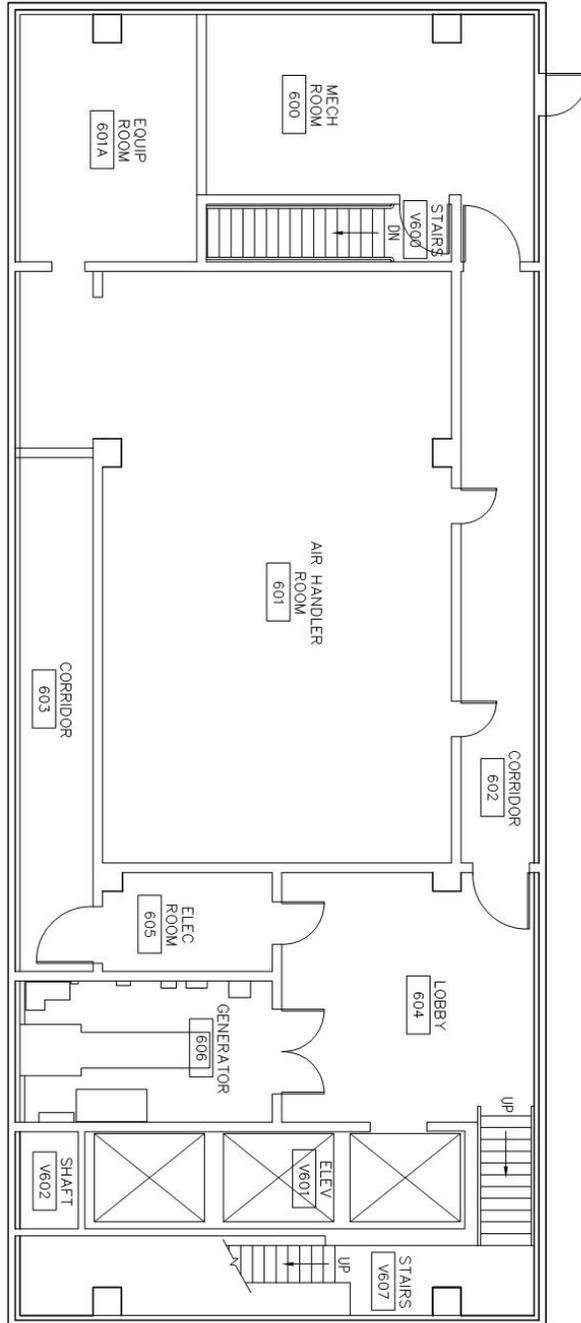
STATE EDUCATION BUILDING (GEF III)  
125 SOUTH WEBSTER STREET, MADISON, WI 53703  
**FOURTH FLOOR PLAN (GEF III)**  
STATE EDUCATION BUILDING  
SCALE: 1/8" = 1'-0"





STATE EDUCATION BUILDING (CEE III)  
125 SOUTH WEBSTER STREET, MADISON, WI 53703  
**FIFTH FLOOR PLAN (CEE III)**  
STATE EDUCATION BUILDING  
SCALE: 1/8" = 1'-0"





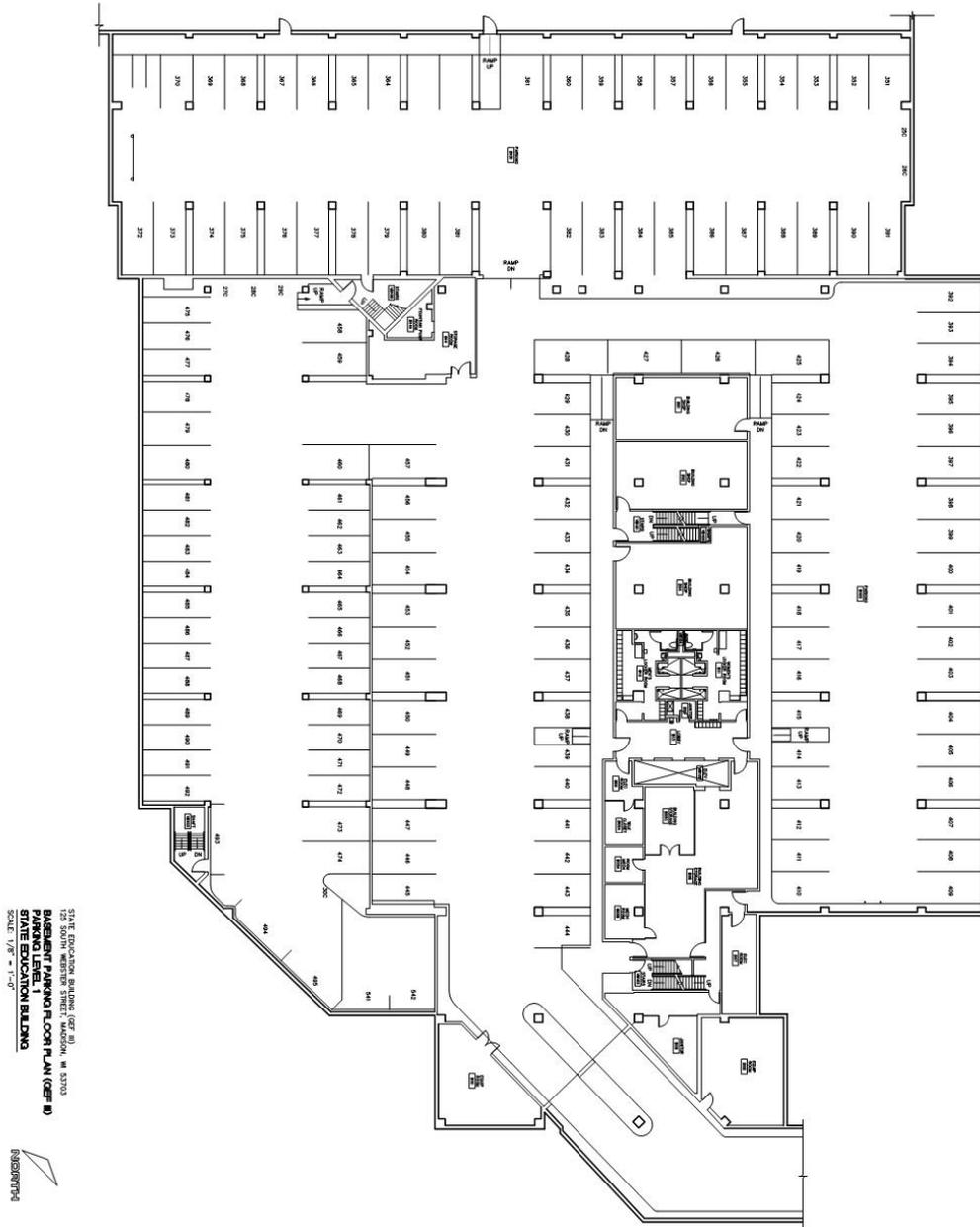
STATE EDUCATION BUILDING (GEF III)  
125 SOUTH WEBSTER STREET, MADISON, WI 53703

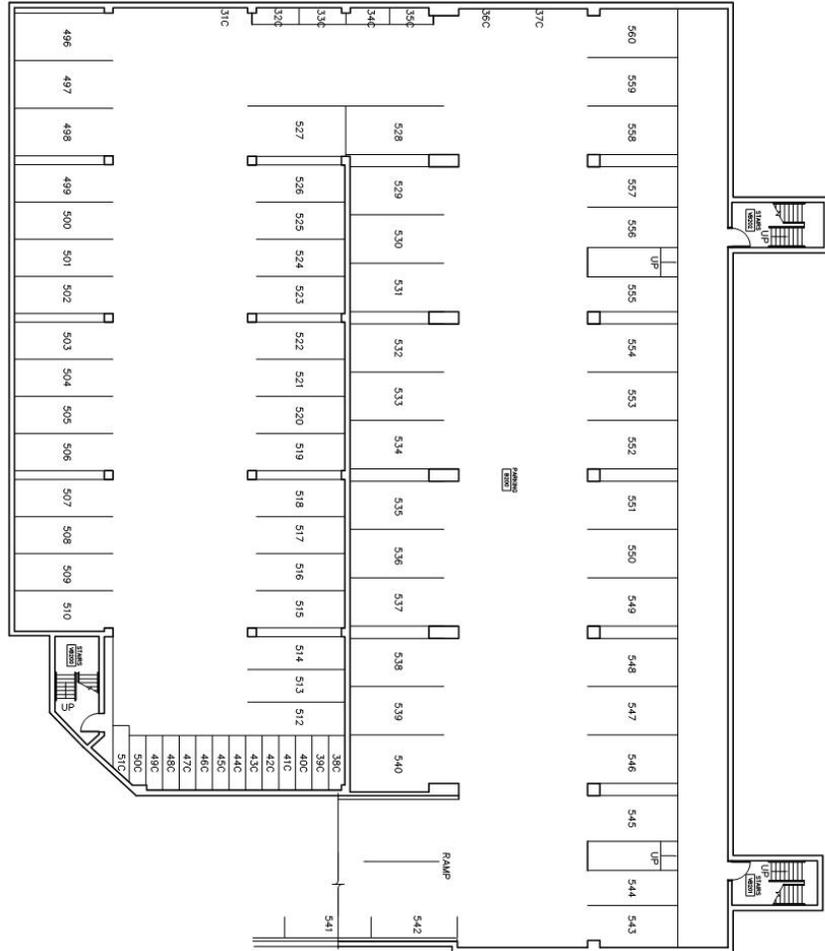
**PENT HOUSE PLAN (GEF III)**  
**STATE EDUCATION BUILDING**

SCALE: 1/8" = 1'-0"



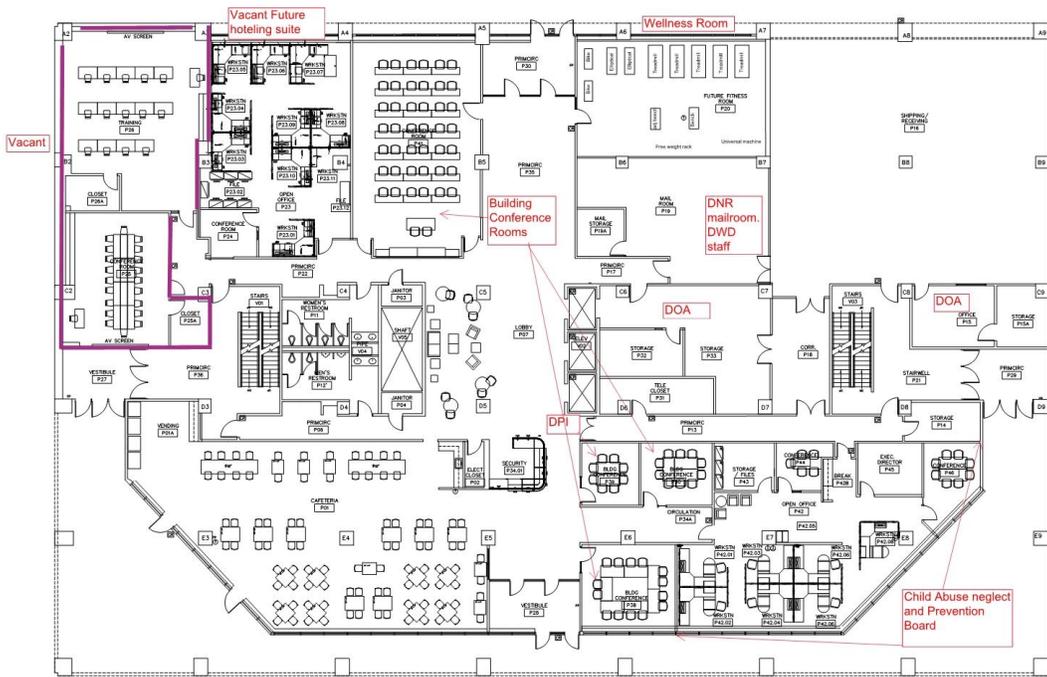






STATE EDUCATION BUILDING (GEF II)  
 125 SOUTH WEBSTER STREET, MADISON, WI 53703  
**BASMENT PARKING FLOOR PLAN (GEF II)**  
**PARKING LEVEL 2**  
**STATE EDUCATION BUILDING**  
 SCALE: 1/8" = 1'-0"





STATE EDUCATION BUILDING (GEF III)  
 125 SOUTH WEBSTER STREET, MADISON, WI 53703  
**PLAZA FLOOR PLAN (GEF III)**  
**STATE EDUCATION BUILDING**  
 SCALE: 1/8" = 1'-0"



## EXHIBIT D - QUALIFICATIONS AND CERTIFICATION

**CHRISTOPHER G. BERGE**  
**L&A APPRAISAL, INC.**

245 Main Street, Suite 104, Racine, WI  
414-732-2880 x101  
chris@la-appraisal.com

**EXPERIENCE**

6/20 – PRESENT

**CERTIFIED GENERAL APPRAISER, L&A APPRAISAL, INC.**

Properties Appraised:

- Industrial and Manufacturing
- Mixed-Use Commercial / Residential
- Multi-Tenant Office / Retail
- Single Tenant Office / Retail
- Restaurants
- Vacant Land

5/12 – 6/20

**SENIOR PROPERTY APPRAISER, CITY OF MILWAUKEE ASSESSOR OFFICE**

Property appraiser with extensive background and knowledge in large-scale multi-family apartment buildings, commercial and personal property.

**EDUCATION**

2009-2011

**GIS GRADUATE PROGRAM CERTIFICATION, UNIVERSITY OF WISCONSIN - MILWAUKEE**

2004 - 2008

**B.A. URBAN GEOGRAPHY, UNIVERSITY OF WISCONSIN - MILWAUKEE**

**PROFESSIONAL EDUCATION – APPRAISAL INSTITUTE**

- General Appraiser Income Approach Part I
- General Appraiser Sales Comparison Approach
- General Appraiser Site Valuation and Cost Approach
- General Appraiser Market Analysis and Highest & Best Use
- Real Estate Finance, Statistics & Modeling
- USPAP

**CERTIFICATIONS AND DESIGNATIONS**

- Wisconsin Certified General Appraiser #2608-10

NO. 2608 - 10

EXPIRES: 12/14/2025

The State of Wisconsin  
Department of Safety and Professional Services  
REAL ESTATE APPRAISERS BOARD

*Hereby certifies that*

Christopher G Berge

*was granted a license to practice as a*

**APPRAISER, CERTIFIED GENERAL**

(551)

*in the State of Wisconsin in accordance with Wisconsin Law  
on the 22nd day of April in the year 2022.*

*The authority granted herein must be renewed each biennium by the granting authority.*

*In witness thereof, the State of Wisconsin  
Real Estate Appraisers Board  
has caused this certificate to be issued under  
the seal of the Department of Safety and Professional Services*



  
DPS Secretary

*This certificate was printed on the 7th day of December in the year 2023*

**ROBERT W. QUAM JR., MAI, ASA, GAA**

**L & A Appraisal, Inc.**  
245 Main Street, Suite 104  
Racine, Wisconsin 53403

Tel 414-732-2880, ext. 112 / Fax 414-732-2890

[Robert@la-appraisal.com](mailto:Robert@la-appraisal.com) / [www.la-appraisal.com](http://www.la-appraisal.com)

**Experience**

**L & A Appraisal, Inc. (Formerly Lauenstein & Associates)** Racine, WI  
President / Commercial Real Estate Appraiser 10/2009-Present

- *Specializing in Manufacturing & Industrial-type properties*

Other types of Properties Appraised

- Vacant Land
- Multi-family
- Retail
- Office
- Mixed-use
- Special Purpose

**Qualifications, Licenses,  
and Designations**

**Wisconsin Certified General Appraiser (#1865-10)**  
**Designated Member of the Appraisal Institute (MAI) (Appraisal Institute)**  
**Accredited Senior Appraiser (ASA) (American Society of Appraisers)**  
**General Accredited Appraiser Designation (GAA) (National Association of Realtors)**

**Positions of Leadership**

**Board of Directors- Wisconsin Chapter of the Appraisal Institute (2018 – 2021)**  
**Village of Wind Point Board of Trustees (2014 – 2019)**  
**Village of Wind Point Architectural Review Board (2014 – 2019)**  
**Village of Wind Point Plan Commission (2014 – 2019)**

**Education**

**University of Wisconsin-Madison** Madison, WI  
Bachelor of Business Administration 9/2003-12/2007  
Double Major: Real Estate and Urban Land Economics;  
Finance, Investments, and Banking

**Appraisal Institute** 2011 – Present  
**Designated Member**

Qualifying / Continuing Education Courses:

- General Appraiser Site Valuation and Cost Approach
- Appraisal Challenges: Declining Markets and Sales Concessions
- Business Practices and Ethics
- 15 Hour National USPAP Equivalent Course
- General Appraiser Report Writing and Case Studies
- General Appraiser Sales Comparison Approach
- Advanced Market Analysis and Highest & Best Use
- Advanced Income Capitalization
- Advanced Concepts & Case Studies
- Appraising Cell Towers
- General Demonstration Report-Capstone Program
- Ted Whitmer Comprehensive Appraisal Workshop
- 7 Hour National USPAP Equivalent Course (Every 2 Years)
- Data Verification Methods
- Real Estate Appraiser Risk Reduction
- Review Theory-General
- The Appraiser as an Expert Witness
- Supervisory Appraiser/Trainee Appraiser Course

American Society of Appraisers

- RP-401; Allocating Components in Going Concerns Appraisals
- RP-400 Going Concern Appraising for Real Estate Appraisers

NO. 1865 - 10

EXPIRES: 12/14/2025

The State of Wisconsin  
Department of Safety and Professional Services  
REAL ESTATE APPRAISERS BOARD

*Hereby certifies that*

Robert W Quam Jr

*was granted a license to practice as a*

**APPRAISER, CERTIFIED GENERAL**

*(551)*

*in the State of Wisconsin in accordance with Wisconsin Law  
on the 26th day of June in the year 2012.*

*The authority granted herein must be renewed each biennium by the granting authority.*

*In witness thereof, the State of Wisconsin  
Real Estate Appraisers Board  
has caused this certificate to be issued under  
the seal of the Department of Safety and Professional Services*



  
DPS Secretary

*This certificate was printed on the 26th day of October in the year 2023*

**EXHIBIT E - ENGAGEMENT LETTER**

**L&A Appraisal, Inc.**  
Commercial Real Estate Appraisers

Robert W. Quam Jr., MAI, ASA, GAA, President  
Kelsey L. Bayba  
Christopher G. Berge  
Paul R. Lindstrom  
www.la-appraisal.com

August 8, 2025

Mr. David Roessler  
DOA-Division of Facilities Development & Management  
101 East Wilson Street, 7<sup>th</sup> Floor  
PO Box 7866  
Madison, WI 53707-7866  
[David.roessler1@wisconsin.gov](mailto:David.roessler1@wisconsin.gov)  
(608)261-2435

Dear Mr. Roessler,

As discussed, we propose to prepare an appraisal report as follows:

- Property address: 101 & 125 South Webster Street, Madison, Wisconsin
- Property type: Office building
- Fee: \$██████, *due upon completion*
- Intended Users: State of Wisconsin
- Intended Use: Internal planning
- Interest Appraised: Fee Simple Estate Interest
- Date of Value: Current, date of inspection
- Site Visit: Interior and Exterior
- Valuation Approach: All applicable approaches to value
- Delivery Date: Five to Six weeks
- Format: Narrative appraisal report
- **Additional Information: In addition to as is value as legally configured (one parcel), appraisal is to provide a hypothetical valuation in which both buildings are legally split and could be sold separately.**

The report will conform to the *Uniform Standards of Professional Appraisal Practice (USPAP)* of the Appraisal Foundation, and the *Code of Professional Ethics and Standards of Professional Appraisal Practice* of the Appraisal Institute, as interpreted by the appraisers. We shall not provide a copy of the written Appraisal Report to, or disclose the results of the appraisal prepared in accordance with this Agreement with any party other than Client, unless Client authorizes, except as stipulated in the Confidentiality Section of the Ethics Rule of the USPAP.

PO Box 81455 • Racine, WI 53408 • P (414) 732-2880 • F (414) 732-2890

Page 2

We cannot agree to provide a value opinion that is contingent on a predetermined amount and cannot guarantee the outcome of the assignment in advance. Our opinion of value will be developed competently and with independence, impartiality and objectivity.

The interpretation and enforcement of this Agreement shall be governed by the laws of the state of Wisconsin, exclusive of any choice of law rules.

I hope you find this satisfactory. If so, please sign below and return via email or mail for our files. *Please provide any pertinent information you may have regarding the property.* If you have any questions, please contact us at (414) 732-2880.

**Payments may be sent to:**

**L & A Appraisal, Inc.  
PO Box 81455  
Racine, WI 53408**

Sincerely,



Robert W. Quam, Jr., MAI, ASA, GAA  
Wisconsin Certified General Appraiser #1865

RWQ/mah

Print Name

PO Box 81455 • Racine, WI 53408 • P (414) 732-2880 • F (414) 732-2890