

An aerial photograph of a large commercial development, likely a shopping center or office park. The scene features a vast, paved parking lot filled with numerous cars. Several large, multi-story buildings with flat roofs are scattered throughout the site. In the foreground, a prominent brick building with a sign that reads "Market" is visible. The surrounding area includes green fields, trees, and a multi-lane highway on the right side. The sky is clear and blue.

**NAI**Commonweal

# 2024 MARKET OVERVIEW

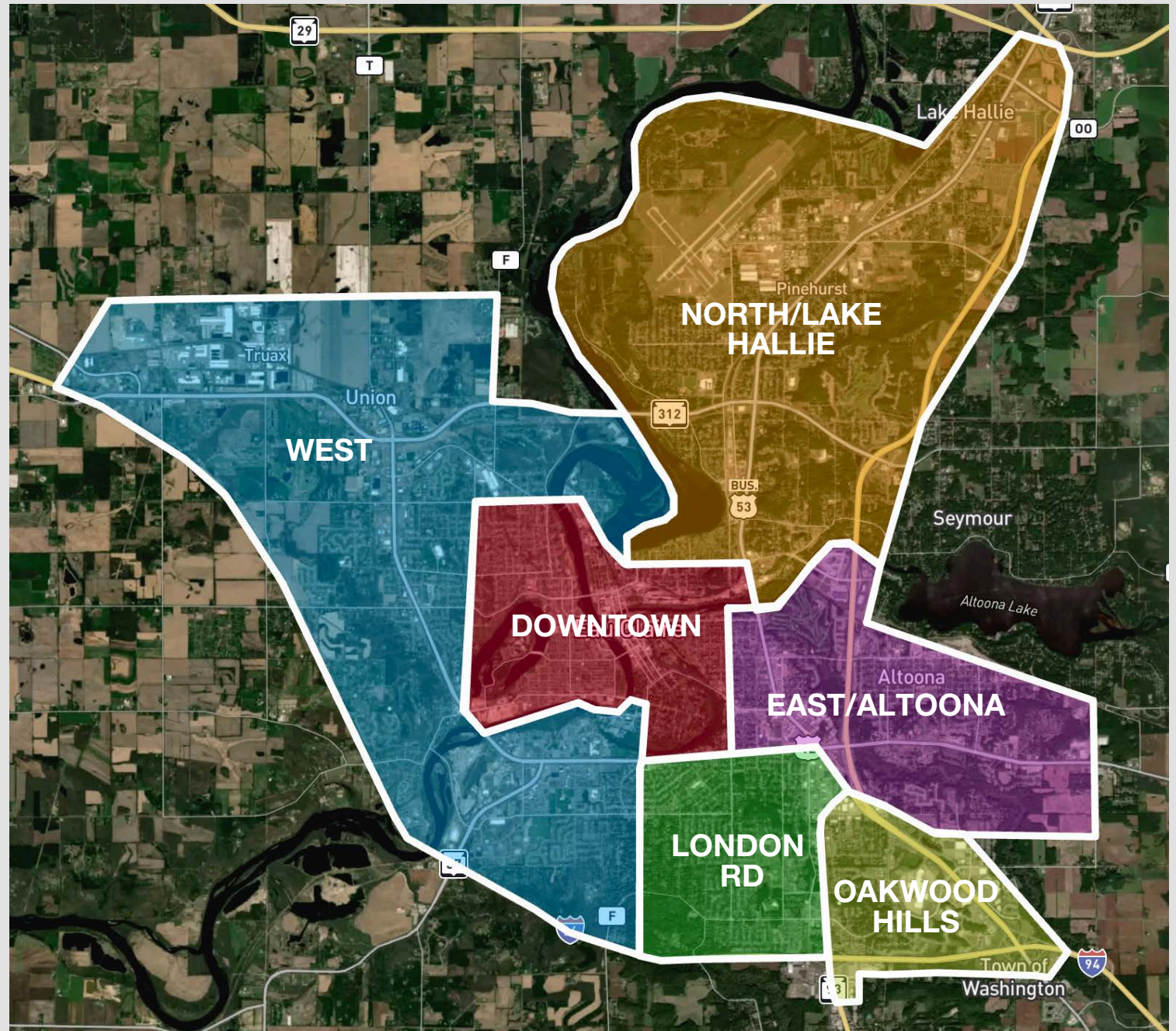
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NAI Commonweal is committed to delivering exceptional service and expertise. Our dedicated team is here to guide you through every phase of the real estate process, ensuring a seamless experience backed by our extensive knowledge and dedication.

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# Eau Claire Submarkets



2024  
MARKET  
OVERVIEW  
NAI Commonweal

# OFFICE 2024

## NOTES

- Miron Construction constructed and opened a new 15,500 SF office building in Lake Hallie
- Property Minds/Rocket Construction opened a new 20,000 SF multi-tenant office building on Eau Claire's south side
- Office users continue to flock to Class A properties as the flight to quality is important in attracting employees back to the office
- Overall increase in office vacancy rate is primarily due to larger 20,000 SF+ openings in the market
- 2024 marks the third year in a row with an increase in the total office square footage in the market
- London Rd area has the largest vacancy rate at 26.68%, while Oakwood Hills continues to be the lowest at 3.54%

## OFFICE FUNDAMENTALS

Vacancy



2023: 7.96%  
2024: 12.35%

Net  
Absorption



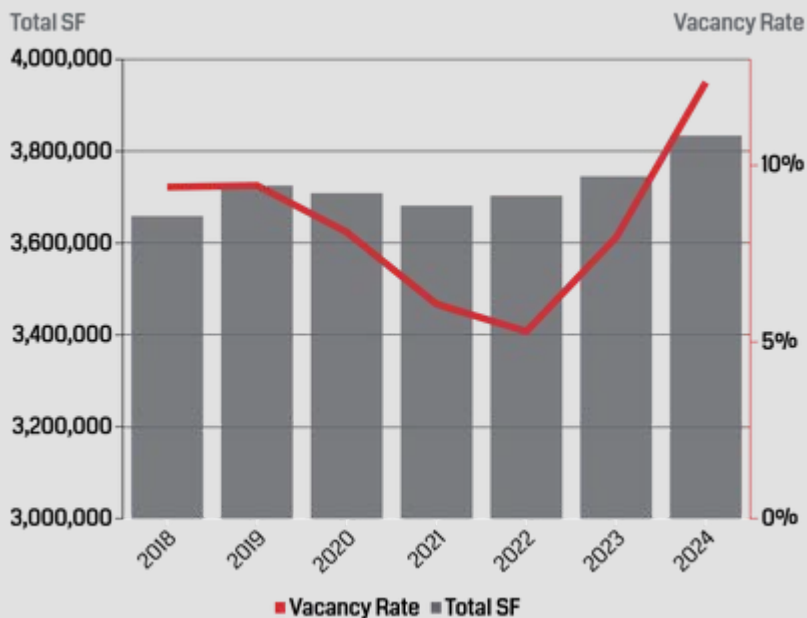
2023: (59,749)  
2024: (66,321)

Total SF

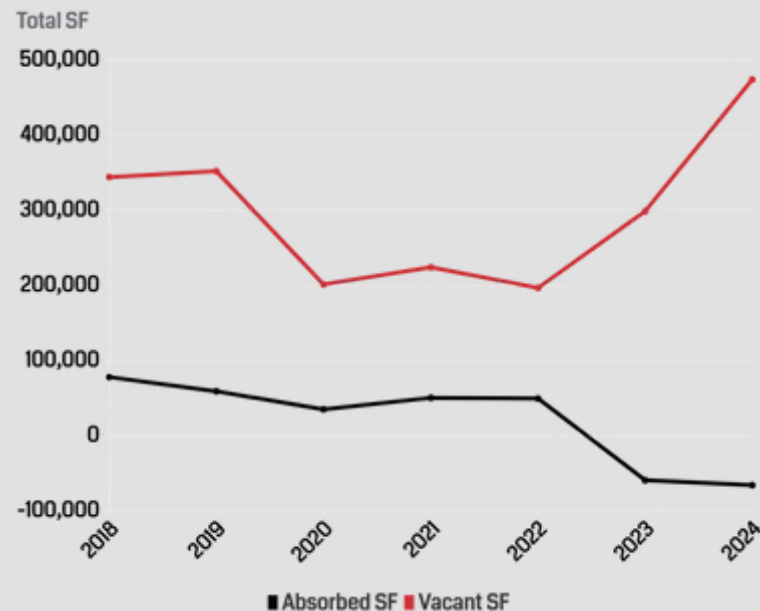


2023: 3,745,306  
2024: 3,834,263

## OFFICE TOTAL SF VS. VACANCY RATE (%)



## OFFICE VACANT SF VS. ABSORBED SF



# RETAIL 2024

## NOTES

- New retail buildings constructed along Clairemont Ave for Panera, Wingstop and Five Guys
- Discount Tire added a new location along Hastings Way
- Still seeing strong interest from quick serve restaurant sector
- The 2 C's, coffee and chicken, continue to be the expanding sectors with Raising Cane's entering the market in 2024 and new locations planned for 7Brew and Scooter's Coffee in 2025.
- Hawaii Poke Bowl expanded to add their second location in the market near Oakwood Mall
- Only one big box remains vacant in the market with the former Sears store
- The North/Lake Hallie area has the lowest retail vacancy sitting at 4.51%, while Downtown continues to sit on the highest vacancy at 15.30%

## RETAIL FUNDAMENTALS

Vacancy



2023: 7.98%  
2024: 8.48%

Net  
Absorption



2023: 170,609  
2024: (14,939)

Total SF

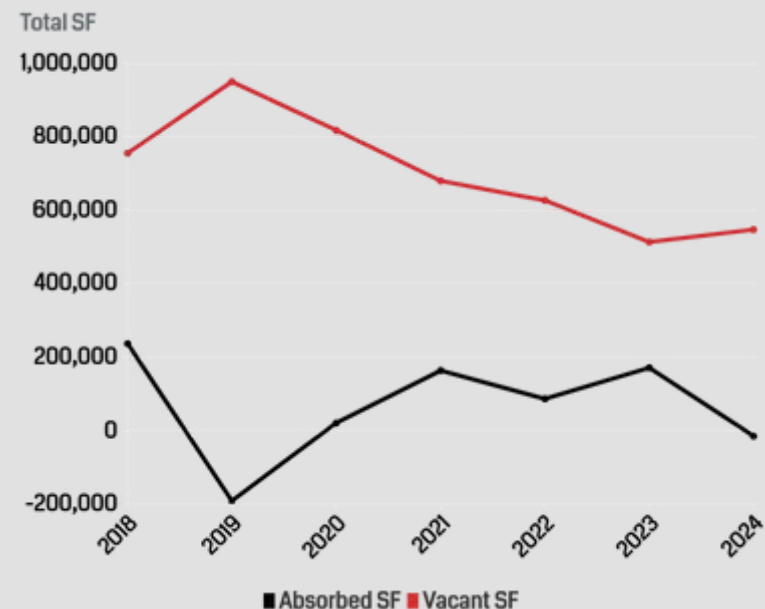


2023: 6,432,051  
2024: 6,450,889

## RETAIL TOTAL SF VS. VACANCY RATE (%)



## RETAIL VACANT SF VS. ABSORBED SF



# INDUSTRIAL 2024

## NOTES

- Overall industrial vacancy continues to remain low in the Eau Claire area
- The increase in the vacancy rate is mainly due to the 700,000+ SF available at the former TDK/HTI building
- Industrial continues to be the strongest of the sectors, with a very low vacancy rate, excluding the one large vacancy in the market

## INDUSTRIAL FUNDAMENTALS

Vacancy



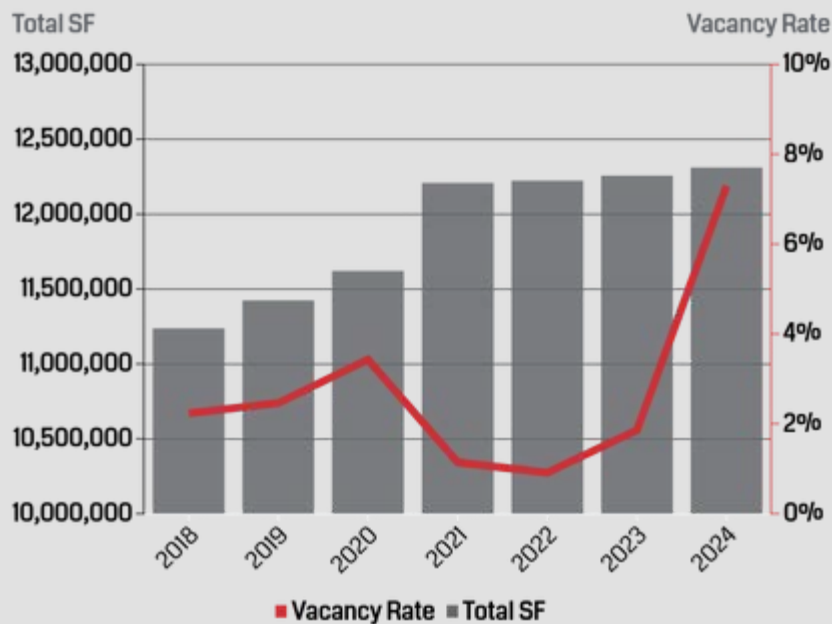
2023: 1.86%  
2024: 7.30%

Total SF

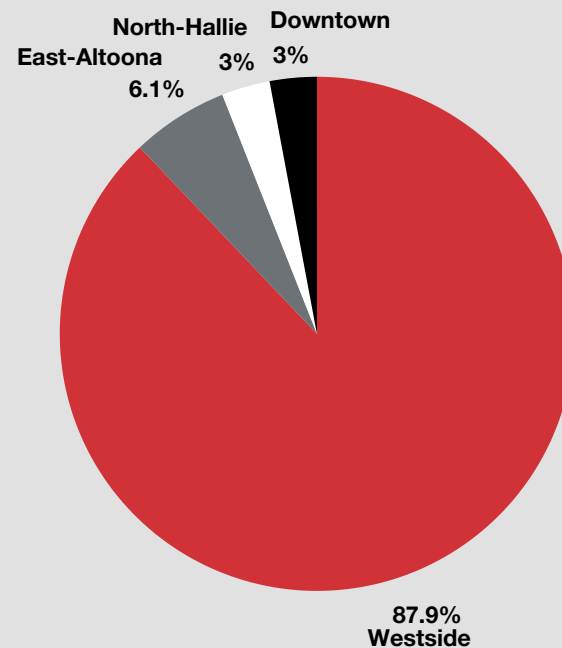


2023: 12,257,559  
2024: 12,310,559

## INDUSTRIAL TOTAL SF VS. VACANCY RATE (%)



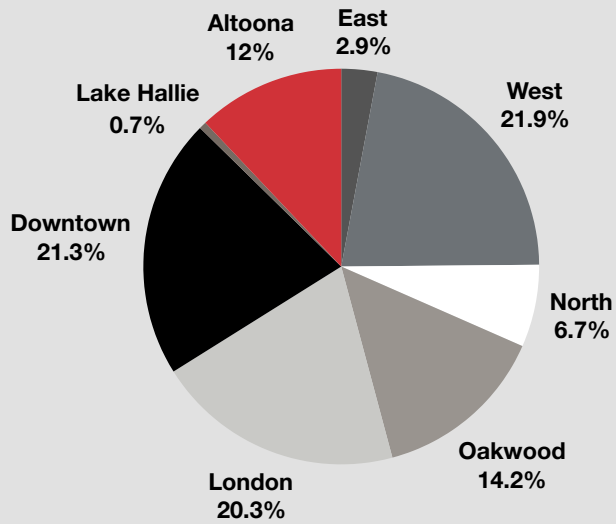
## % OF VACANT SQUARE FOOTAGE BY LOCATION



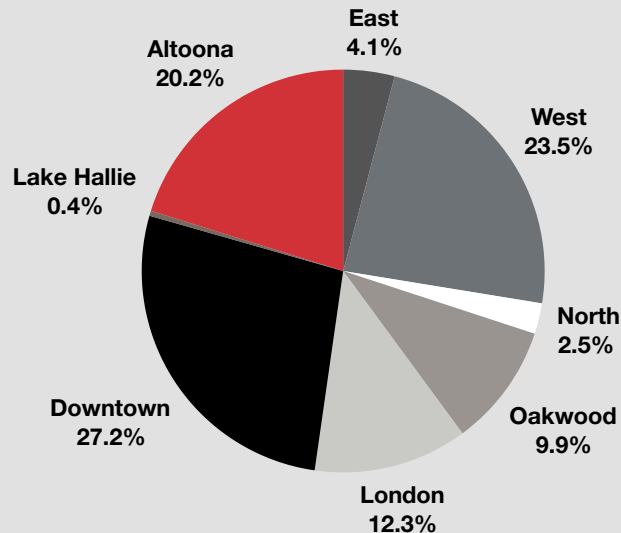
# MULTIFAMILY 2024

## NOTES

- Multifamily vacancy has tripled since Summer 2023, from 1.21% to 3.18%.
- New units continue to be brought online throughout the market
- New units added in Eau Claire in 2024 totaled 467
- Altoona and Lake Hallie were included in the report this year, bringing total units in the market to 7,636



% OF TOTAL UNITS BY LOCATION



% OF VACANT UNITS BY LOCATION

## MULTIFAMILY FUNDAMENTALS

Vacancy



2023: 1.21%  
2024: 3.18%

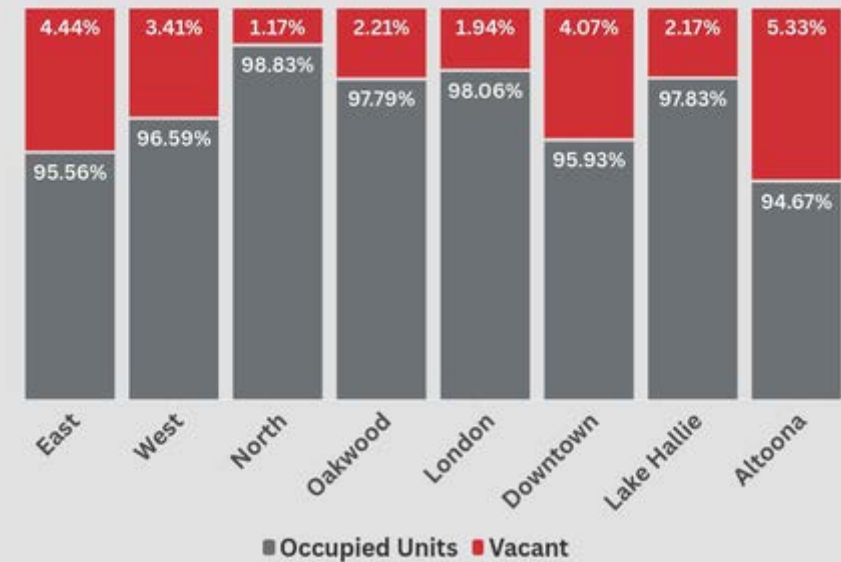
Total Units



2023: 6,203  
2024: 7,636\*

\*2024 numbers include 920 units in Altoona and Lake Hallie

## MULTIFAMILY VACANCY RATES BY LOCATION (%)



\*This data includes multifamily properties that are 4 units and above.

# OVERALL MARKET 2025 OUTLOOK

Notable announcements and outlook for 2025:

- The retail sector is expected to continue to grow with the expansion of additional QSR's in the market, with existing groups like 7Brew adding a second location and new entries to the market like Wingstop and Scooter's Coffee
- The car wash market is expected to continue to grow with the addition of Crew Car Wash on Gateway Drive
- Chippewa Falls should continue to see growth with additional retail and office users near Festival Foods and the new Aspirus Health hospital. We plan to include the Chippewa Falls market in our report starting next year
- The office market will see some new development with the completion of Hoeft Builders new office building. We expect to see additional interest in The Sevens development, which will add some much needed Class A office space to the market
- Multifamily units will continue to be added to the market, with a number of projects currently under construction and planned for 2025 including 250+ units in the Cannery District and 305 units in The Sevens
- While there were some closures of c-store locations in the market, we expect some of those locations to reopen or be redeveloped in 2025
- We hope to see some clarity in the medical sector with the potential use or reuse of both HSHS hospitals in Eau Claire and Chippewa Falls
- In the hospitality sector, the new Springhill Suites will open in Spring 2025 and will add to a growing Menomonie St corridor around the Sonnentag Center







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