

MARKET TRENDS | **PHOENIX**

# MULTIFAMILY

1ST QUARTER  
**2020**

▲ VACANCY | ▼ UNEMPLOYMENT | ▲ RENTAL RATE | ▲ CONSTRUCTION DELIVERIES

**TOP SALE TRANSACTIONS FOR 1Q 2020**

| Property             | Submarket   | # of Units | Sale Price    | Price /Unit | Buyer                                  | Seller                                   |
|----------------------|-------------|------------|---------------|-------------|--|--|
| West Sixth Tempe     | Dtwn Tempe  | 375        | \$123,000,000 | \$328,000   | Campus Apartments, Inc.                | University Communities                   |
| Parc Midtown         | Midtown Phx | 306        | \$78,500,000  | \$256,535   | FSC Realty, LLC                        | Evergreen Development Co.                |
| Circa Central Avenue | Encanto     | 227        | \$57,500,000  | \$253,303   | PrivatePortfolio Group, LLC            | Ryan Companies US, Inc.                  |
| Avenue 25 Apartments | Deer Valley | 254        | \$55,600,000  | \$218,897   | Bluerock Real Estate, LLC              | Millburn & Company                       |
| Tides on Thunderbird | Deer Valley | 376        | \$55,400,000  | \$147,340   | Cynosure Investments & North Rock Cos. | Columbus Pacific Props. & Tides Equities |

**TOP UNDER CONSTRUCTION**

| Property                              | Address                | Submarket      | # of Units | Owner                    | Delivery Date |
|---------------------------------------|------------------------|----------------|------------|--------------------------|---------------|
| Scottsdale Entrada                    | 6400 E McDowell Rd     | Papago         | 736        | Banyan Residential       | December 2022 |
| The Pier 202                          | 1125 E Rio Salado Pkwy | Downtown Tempe | 551        | Spring Brook Development | October 2021  |
| The Grand at Papago Center Apartments | 1101 W Washington St   | North Tempe    | 550        | Lincoln Property Company | January 2021  |
| Pearl Biltmore                        | 4640 N 24th St         | Biltmore       | 472        | Gray Development Group   | April 2020    |
| Friendship Village                    | 2645 E Southern Ave    | Alameda        | 442        | Ryan Companies US        | February 2022 |

**TOP COMPLETED CONSTRUCTION FOR 1Q 2020**

| Property     | Address            | Submarket    | # of Units | Owner                    | Delivery Date |
|--------------|--------------------|--------------|------------|--------------------------|---------------|
| The Cameron  | 2062 E Cameron Way | Apache       | 349        | StreetLights Residential | January 2020  |
| San Villante | 4760 E Baseline    | Superstition | 348        | Mark-Taylor Companies    | March 2020    |

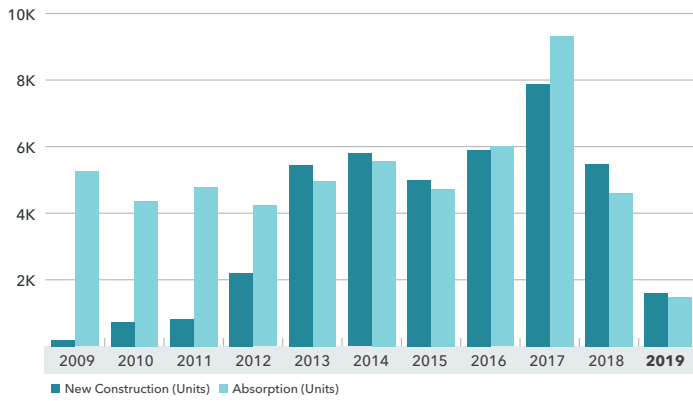
## Market Breakdown

|                           | 1Q 2020   | 4Q 2019   | 1Q 2019   | Annual % Change |
|---------------------------|-----------|-----------|-----------|-----------------|
| New Construction          | 1,611     | 2,872     | 355       | <b>353.80%</b>  |
| Under Construction        | 13,016    | 11,465    | 12,680    | <b>2.65%</b>    |
| Vacancy Rate              | 6.2%      | 6.2%      | 5.8%      | <b>6.90%</b>    |
| Average Asking Rents      | \$1,136   | \$1,129   | \$1,087   | <b>4.51%</b>    |
| Average Sales Price(Unit) | \$150,825 | \$174,227 | \$146,895 | <b>2.68%</b>    |
| Cap Rates                 | 5.5%      | 5.7%      | 5.9%      | <b>-6.78%</b>   |
| Net Absorption            | 1,493     | 1,614     | 1,671     | <b>N/A</b>      |

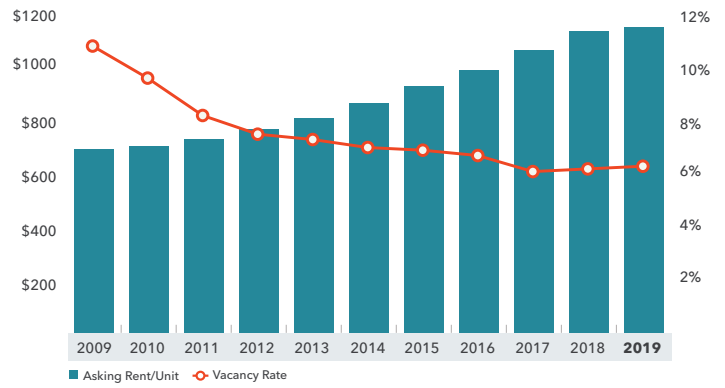
## Average Rent

| Unit Size | Monthly Rent |
|-----------|--------------|
| Studio    | \$875        |
| 1 Bedroom | \$1,036      |
| 2 Bedroom | \$1,218      |
| 3 Bedroom | \$1,544      |

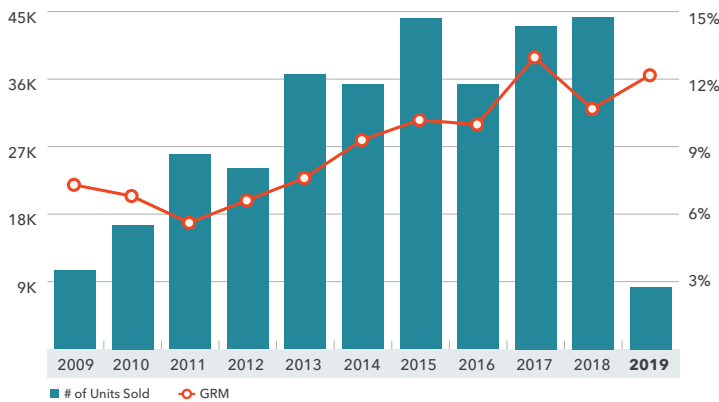
## NEW CONSTRUCTION & ABSORPTION



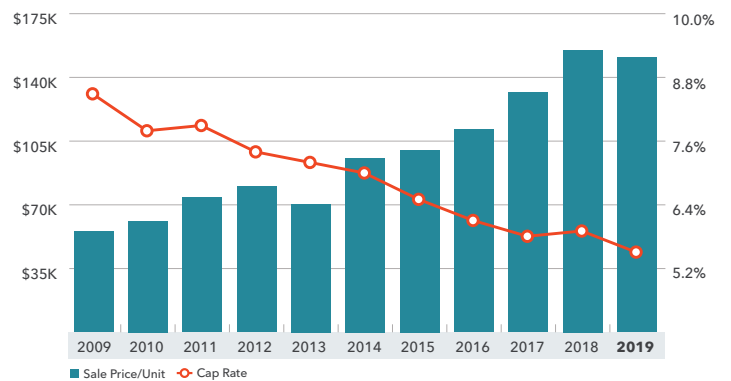
## AVERAGE ASKING RENT/UNIT & VACANCY RATE



## GRM & NUMBER OF UNITS SOLD



## AVERAGE SALES PRICE/UNIT & CAP RATES



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The information in this report was composed by the Kidder Mathews Research Group.

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### COMMERCIAL BROKERAGE

|               |                                  |             |                          |
|---------------|----------------------------------|-------------|--------------------------|
| <b>27M</b>    | <b>ANNUAL SALES SF</b>           | <b>440+</b> | <b>NO. OF BROKERS</b>    |
| <b>\$9.6B</b> | <b>ANNUAL TRANSACTION VOLUME</b> | <b>42M</b>  | <b>ANNUAL LEASING SF</b> |

### VALUATION ADVISORY

|               |                            |              |                                   |
|---------------|----------------------------|--------------|-----------------------------------|
| <b>1,680+</b> | <b>APPRAISALS ANNUALLY</b> | <b>38/23</b> | <b>TOTAL NO. APPRAISERS/MAI'S</b> |
|---------------|----------------------------|--------------|-----------------------------------|

### PROPERTY MANAGEMENT

|             |                                |               |                                   |
|-------------|--------------------------------|---------------|-----------------------------------|
| <b>70M+</b> | <b>MANAGEMENT PORTFOLIO SF</b> | <b>\$12B+</b> | <b>IN ASSETS UNDER MANAGEMENT</b> |
|-------------|--------------------------------|---------------|-----------------------------------|

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