Kidder Mathews

3Q 2023

MARKET TRENDS

PHOENIX *MULTIFAMILY*

↑ VACANCY

↑ UNEMPLOYMENT

↓ RENTAL RATES

↑ CONSTRUCTION DELIVERIES

Year-Over-Year Change

TOP SALE TRANSACTIONS 3Q 2023

Property	Submarket	Units	Sale Price	Price/Unit	Buyer	Seller
District at Scottsdale	North Scottsdale	332	$161,500,000	$486,446	CalSTRS	Kohlberg Kravis Roberts & Co, LP
Arcadia Cove Apartments	Papago	432	$130,500,000	$302,083	Blue Lake Capital	Priderock Capital Management, LLC
Aerie Happy Valley	Deer Valley	212	$87,850,000	$414,387	Slosburg Company	Harvard Investments
Lumina Mountain Vista	East Mesa	300	$84,250,000	$280,833	Lumina Mountain Vista, LLC	DHIC - Mountain Vista, LLC
Cabana Happy Valley	Deer Valley	292	$79,250,000	$271,404	Ideal Capital Group	Greenlight Communities

TOP UNDER CONSTRUCTION

Property	Address	Submarket	Units	Owner	Expected Delivery
601 N Central Ave	601 N Central Ave	Roosevelt Row	747	bKL Architecture, LLC	1Q25
South Pier at Tempe Town Lake	1130 E Rio Salado Pky	Downtown Tempe	724	Pearlmark Real Estate, LLC	2Q26
Northbend	906 N Miller Rd	North Tempe	651	Milhaus	2Q24
2625 E Cactus Rd	2625 E Cactus Rd	Paradise Valley North	500	Treger Financial	1Q24
Hangar 44	1024 N 44th St	Papago	452	JLB Partners, LLC	3Q23

TOP COMPLETED CONSTRUCTION 3Q 2023

Property	Address	Submarket	Units	Owner	Delivery
Culdesac Tempe	2025 E Apache Blvd	Apache	780	Tempe Voter Registration	July 2023
FlatZ 520	45760 W Village Pkwy	Pinal County	348	Zekelman Industries	August 2023
Moontower Phoenix	811 N 3rd St	Roosevelt Row	326	LV Collective	September 2023
Vista Ridge Apartments	2050 W Southern Ave	South Mountain	308	Dominium	July 2023
Cabana Southern	9733 E Southern Ave	East Mesa	250	Greenlight Communities	August 2023

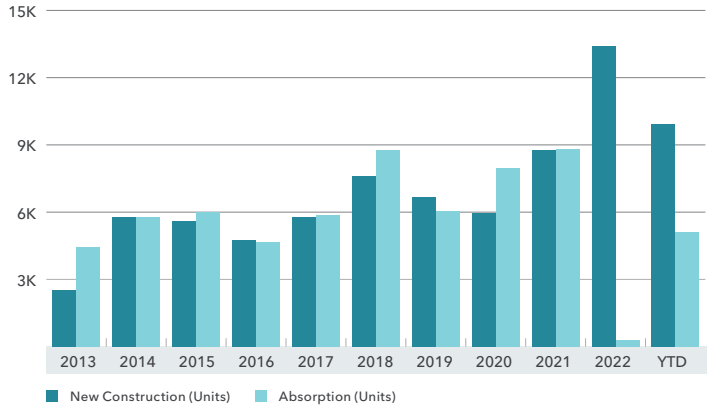
MARKET BREAKDOWN

	3Q23	2Q23	3Q22	Annual % Change
New Construction	3,102	2,933	2,535	**22.37%**
Under Construction	27,653	28,957	28,427	**-2.72%**
Vacancy Rate	9.4%	9.3%	7.7%	**22.08%**
Average Asking Rents	$1,518	$1,535	$1,552	**-2.19%**
Average Price / Unit	$257,061	$249,909	$270,165	**-4.85%**
Cap Rates	6.7%	4.9%	4.4%	**52.27%**
Net Absorption	2,237	472	(201)	**N/A**

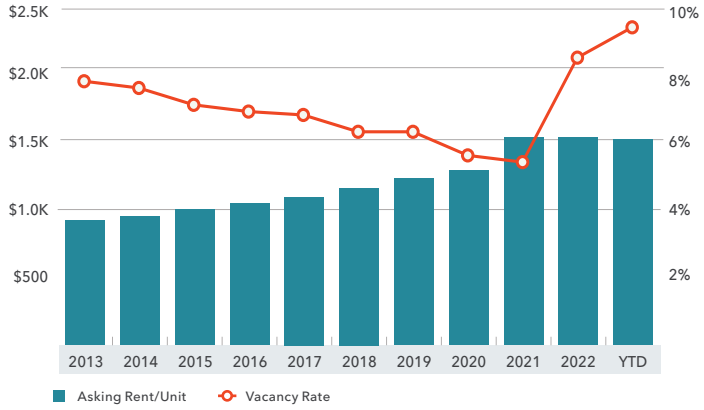
AVERAGE RENT

Unit Size	Monthly Rent
Studio	$1,165
1 Bedroom	$1,378
2 Bedroom	$1,628
3 Bedroom	$2,089

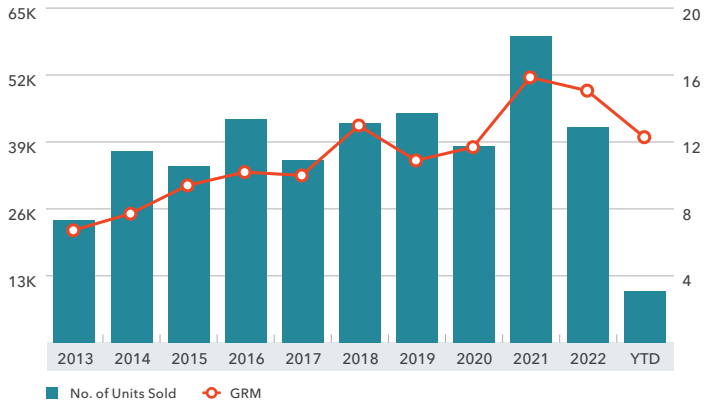
NEW CONSTRUCTION & ABSORPTION



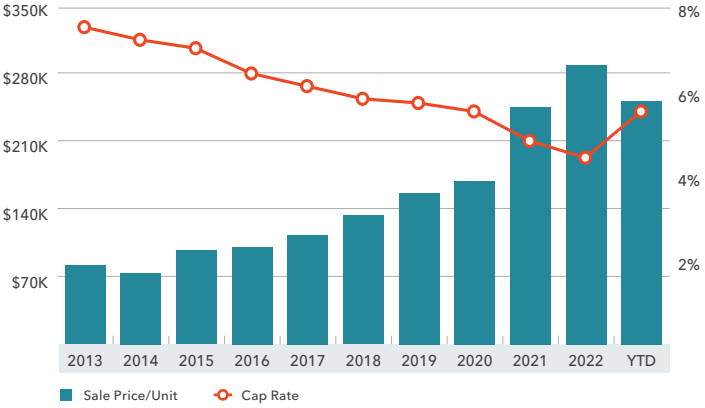
AVERAGE ASKING RENT/UNIT & VACANCY RATE



UNITS SOLD & GROSS RENT MULTIPLIER



AVERAGE SALES PRICE/UNIT & CAP RATES



Data Source: CoStar

Kidder Mathews

Kidder Mathews is the largest, independent commercial real estate firm on the West Coast, with 900 real estate professionals and staff in 20 offices in Washington, Oregon, California, Nevada, and Arizona. We offer a complete range of brokerage, appraisal, asset services, consulting, project and construction management, and debt equity finance services for all property types.

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

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COMMERCIAL BROKERAGE	$12B TRANSACTION VOLUME ANNUALLY	32.1M ANNUAL SALES SF	41.2M ANNUAL LEASING SF
ASSET SERVICES	53M MANAGEMENT PORTFOLIO SF	771+ ASSETS UNDER MANAGEMENT	250+ ASSET SERVICES CLIENTS
VALUATION ADVISORY	2,800+ ASSIGNMENTS ANNUALLY	41 TOTAL APPRAISERS	23 WITH MAI DESIGNATIONS

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