

## MARKET TRENDS

# PHOENIX MULTIFAMILY

↑	VACANCY	↑	UNEMPLOYMENT
↓	RENTAL RATES	↓	CONSTRUCTION DELIVERIES

Year-Over-Year Change

### TOP SALE TRANSACTIONS 4Q 2023

Property	Submarket	Units	Sale Price	Price/Unit	Buyer	Seller
MAA Central Ave	Encanto	323	\$102,350,000	\$316,873	Mid-America Communities, Inc.	Toll Brothers Apartment Living
Parc Broadway	West Tempe	324	\$100,250,000	\$309,414	MG Properties	Evergreen Development Co.
CUVEE at Westgate	Westside	310	\$86,000,000	\$277,419	Pillar Communities, LLC	Fore Property Company
Brix Warehouse District	Warehouse District	300	\$81,999,000	\$273,330	Brixton Capital AC, LLC	Wood Partners
Trails at Harris	Central Mesa	209	\$44,500,000	\$212,919	YNL Properties, Inc.	MIG Real Estate, LLC

### TOP UNDER CONSTRUCTION

Property	Address	Submarket	Units	Owner	Expected Delivery
601 N Central Ave	601 N Central Ave	Roosevelt Row	747	bKL Architecture, LLC	1Q 2025
South Pier at Tempe Town Lake	1130 E Rio Salado Pky	Downtown Tempe	724	Pearlmark Real Estate, LLC	2Q 2026
Meritum Sheely Farms	2121 N 99th Ave	Crystal Gardens	678	IDM Companies	1Q 2024
Northbend	906 N Miller Rd	North Tempe	651	Milhaus	2Q 2024
Sunela	20600 N 55th St	Desert View	620	Crown Realty and Development	1Q 2024

### TOP COMPLETED CONSTRUCTION 4Q 2023

Property	Address	Submarket	Units	Owner	Delivery
Hangar 44	1024 N 44th St	Papago	452	JLB Partners, LLC	October 2023
Skye on 6th	817 N 6th St	Roosevelt Row	309	Hubbard Street Group	November 2023
The Bungalows at Asante	16630 N Pat Tillman Blvd	Lake Pleasant	293	Advanced Acquisitions, LLC	November 2023
North Copper Canyon	17623 W Norwich Dr	Northwest Maricopa County	218	Century Communities of AZ, LLC	December 2023
Alexan Tempe	2160 E Baseline Rd	The Lakes	200	Trammell Crow Residential	November 2023

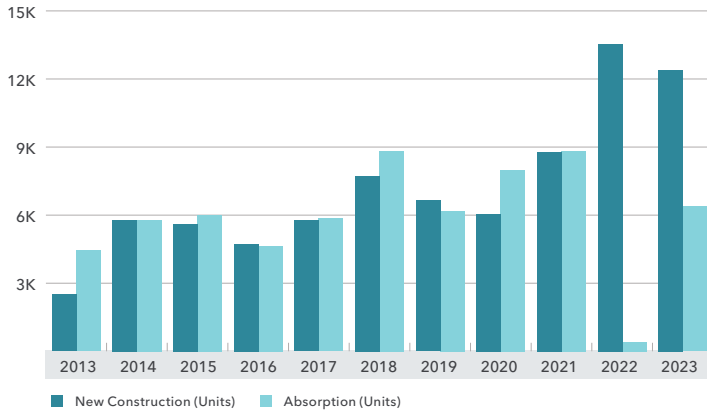
### MARKET BREAKDOWN

	4Q23	3Q23	4Q22	Annual % Change
New Construction	2,250	3,274	4,383	-48.67%
Under Construction	29,497	29,874	30,801	-4.23%
Vacancy Rate	9.7%	9.6%	8.5%	14.12%
Average Asking Rents	\$1,508	\$1,524	\$1,539	-2.01%
Average Price / Unit	\$245,434	\$260,532	\$248,473	-1.22%
Cap Rates	6.2%	6.0%	4.7%	31.91%
Net Absorption	1,908	1,704	894	N/A

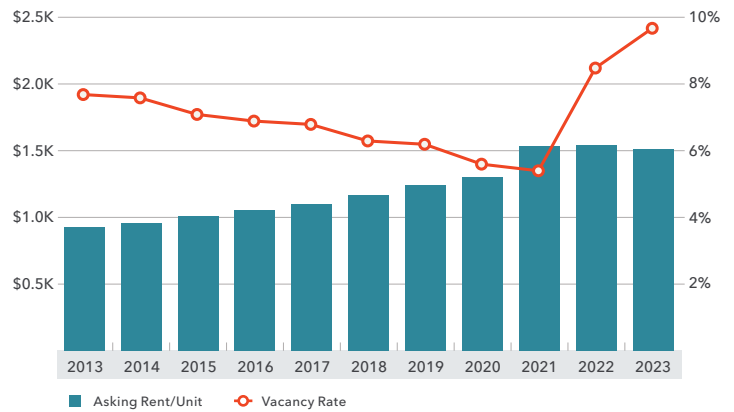
### AVERAGE RENT

Unit Size	Monthly Rent
Studio	\$1,162
1 Bedroom	\$1,365
2 Bedroom	\$1,619
3 Bedroom	\$2,063

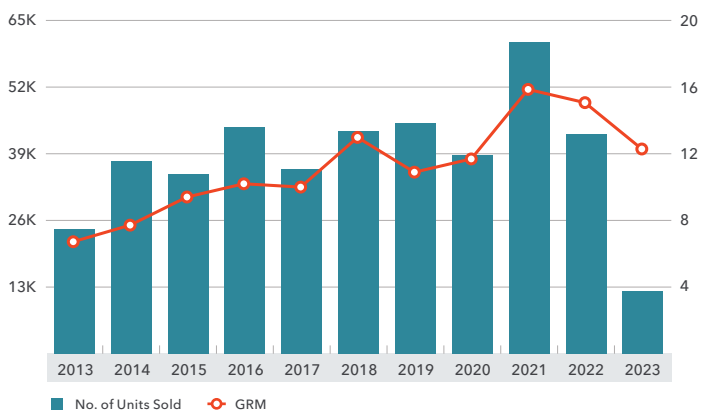
NEW CONSTRUCTION & ABSORPTION



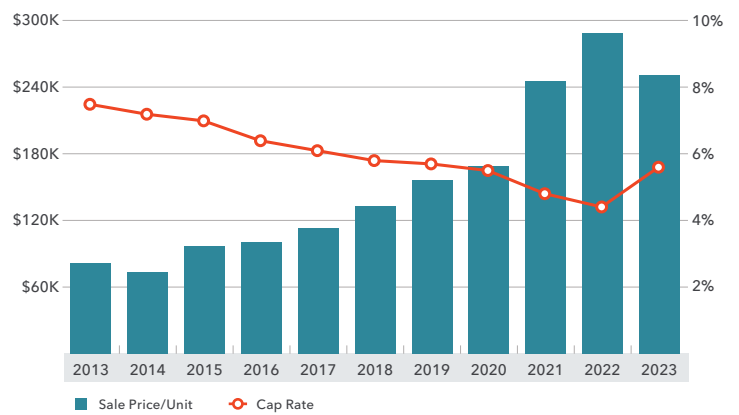
AVERAGE ASKING RENT/UNIT & VACANCY RATE



UNITS SOLD & GROSS RENT MULTIPLIER



AVERAGE SALES PRICE/UNIT & CAP RATES



Data Source: CoStar



Kidder Mathews 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.

**GARY BARAGONA**  
Vice President of Research  
415.229.8925  
gary.baragona@kidder.com

**ERIC PAULSEN**  
Regional President, Brokerage  
Southern California & Arizona  
602.513.5200  
eric.paulsen@kidder.com  
LIC N° 01001040

<b>COMMERCIAL BROKERAGE</b>	<i>\$12B</i> TRANSACTION VOLUME ANNUALLY	<i>32.1M</i> ANNUAL SALES SF	<i>41.2M</i> ANNUAL LEASING SF
<b>ASSET SERVICES</b>	<i>53M</i> MANAGEMENT PORTFOLIO SF	<i>771+</i> ASSETS UNDER MANAGEMENT	<i>250+</i> ASSET SERVICES CLIENTS
<b>VALUATION ADVISORY</b>	<i>2,800+</i> ASSIGNMENTS ANNUALLY	<i>42</i> TOTAL APPRAISERS	<i>23</i> WITH MAI DESIGNATIONS

This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material, including, but not limited to, statements of income and expenses. Consult your attorney, accountant, or other professional advisor.