

MARKET TRENDS

PHOENIX MULTIFAMILY

↑ VACANCY	↑ UNEMPLOYMENT
↓ RENTAL RATES	↓ CONSTRUCTION DELIVERIES

Year-Over-Year Change

SIGNIFICANT SALE TRANSACTIONS 1Q 2024

Property	Submarket	Units	Sale Price	Price/Unit	Buyer	Seller
Skywater at Town Lake	Downtown Tempe	328	\$112,000,000	\$341,463	Weidner Property Management LLC	KB Development
Sentio Apartments	Deer Valley	325	\$108,000,000	\$332,308	Ideal Capital Group	Hines
Olympus Chandler at the Park	North Chandler	291	\$94,500,000	\$324,742	Olympus Property	Wood Partners
Onyx at Westgate	Westside	190	\$62,000,000	\$326,316	Inland Private Capital Corporation	Cavan Companies
Cambria Apartments	North Gilbert	174	\$51,300,000	\$294,828	Pacific Community Builders	Bridge Investment Group

SIGNIFICANT 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
Meritum Sheely Farms	2121 N 99th Ave	Crystal Gardens	678	IDM Companies	2Q24
Northbend	906 N Miller Rd	North Tempe	651	Milhaus	2Q24
Lumara	25255 N 19th Ave	Deer Valley	456	Toll Brothers Apartment Living	1Q25

SIGNIFICANT COMPLETED CONSTRUCTION 1Q 2024

Property	Address	Submarket	Units	Owner	Delivery
ACERO Hawes Crossing	3646 S 79th St	East Mesa	372	IDM Companies	February 2024
Mesquite Terrace	5055 N 19th Ave	Midtown Phoenix	297	Catholic Charities USA	February 2024
AVE Phoenix Sky	601 N 3rd Ave	Roosevelt Row	254	Korman Communities	January 2024
The Falls at Crismon Commons	1760 S Crimson Rd	East Mesa	240	Overland Advisors	March 2024
Alta Biltmore	1720 E Camelback Rd	Uptown Phoenix	215	Wood Partners	March 2024

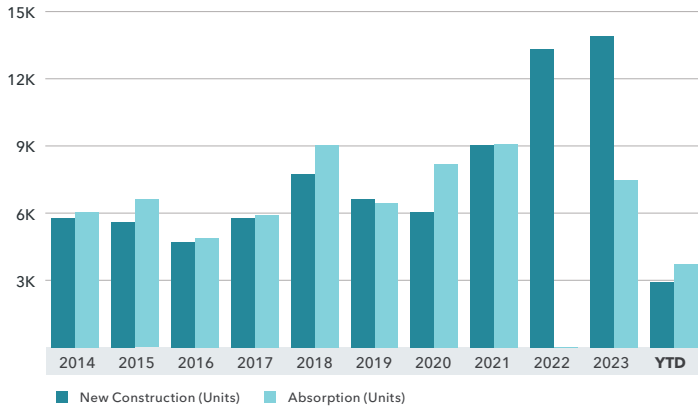
MARKET BREAKDOWN

	1Q24	4Q23	1Q23	YOY Change
Vacancy Rate	9.5%	9.8%	8.8%	70 bps
Average Asking Rents	\$1,524	\$1,514	\$1,551	-1.7%
Under Construction	29,766	31,234	31,809	-6.4%
Average Sales Price	\$275,871	\$241,707	\$246,814	11.8%
Average Cap Rate	5.5%	6.2%	5.3%	20 bps
	1Q24	2023 Total	1Q23	YOY Change
Construction Deliveries	2,939	13,892	4,094	-28.2%
Net Absorption	3,728	7,481	2,583	N/A

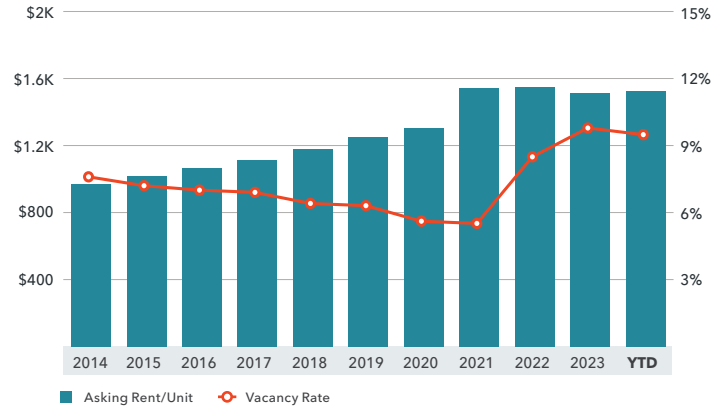
AVERAGE RENT

Unit Size	Monthly Rent
Studio	\$1,150
1 Bedroom	\$1,378
2 Bedroom	\$1,635
3 Bedroom	\$2,087

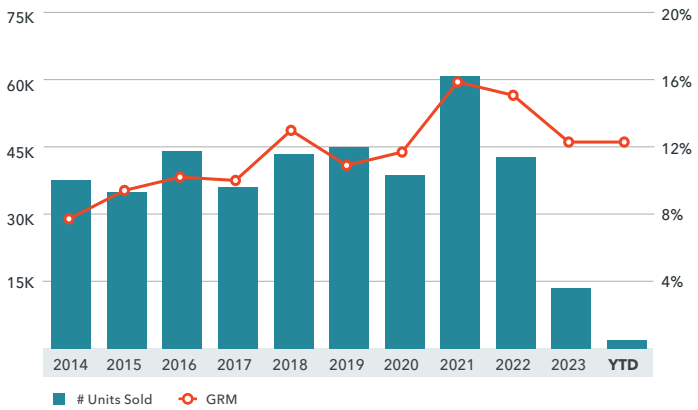
NEW CONSTRUCTION & ABSORPTION



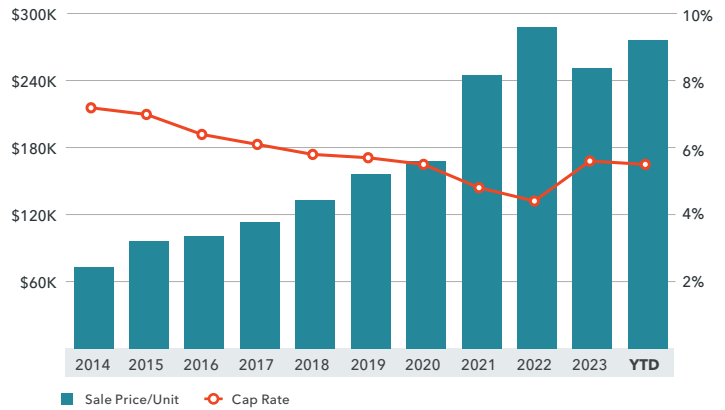
AVERAGE ASKING RENT/UNIT & VACANCY RATE



UNITS SOLD & GROSS RENT MULTIPLIER



AVERAGE SALE PRICE/UNIT & CAP RATES



Data Source: CoStar



Kidder Mathews is the largest independent commercial real estate firm on the West Coast, with over 900 real estate professionals and staff in 19 offices in Washington, Oregon, California, Nevada, and Arizona. We offer a complete range of brokerage, appraisal, asset services, consulting, 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	<i>\$10B</i> 3-YEAR AVERAGE TRANSACTION VOLUME	<i>31.7M</i> ANNUAL SALES SF	<i>42.4M</i> ANNUAL LEASING SF
ASSET SERVICES	<i>51M SF</i> MANAGEMENT PORTFOLIO SIZE	<i>750+</i> ASSETS UNDER MANAGEMENT	<i>250+</i> CLIENTS SERVED
VALUATION ADVISORY	<i>2,600+</i> 3-YEAR AVERAGE ASSIGNMENTS	<i>43</i> TOTAL APPRAISERS	<i>25</i> WITH MAI DESIGNATIONS

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