

MARKET TRENDS

PHOENIX RETAIL

↓ VACANCY ↑ UNEMPLOYMENT
 ↑ RENTAL RATES ↓ CONSTRUCTION DELIVERIES

Year-Over-Year Change

TOP SALE TRANSACTIONS 4Q 2023

Property	Submarket	SF	Sale Price	\$/SF	Buyer	Seller
Northsight Crossing	North Scottsdale	112,113	\$27,400,000	\$244	Hunt Retail Investments, LLC	Northsight Crossing AZ, LLC
Arizona Center	Downtown Phoenix	95,540	\$27,000,000	\$283	CFD3 OZ, LLC	AGP Arizona Center Owner, LLC
6354 E Test Dr	Red Mountain/Mesa	44,146	\$17,850,000	\$404	Reigi RE of Mesa, LLC	G & R Real Estate, LLC

TOP LEASE TRANSACTIONS 4Q 2023

Property	Submarket	SF	Transaction Date	Tenant
Verrado Marketplace	Buckeye	147,000	November 2023	Target
Verrado Marketplace	Buckeye	75,000	November 2023	Harkins BackLot
2814 W Bell Rd	I-17 Corridor	70,000	October 2023	EOS Fitness

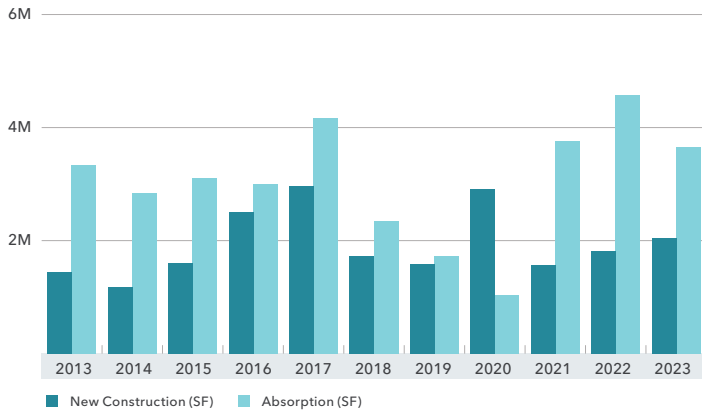
TOP UNDER CONSTRUCTION

Property	Submarket	SF	Delivery
W McDowell Rd	Buckeye	548,715	3Q 2024
13490 N Prasada Pky	Surprise	308,640	1Q 2024
Estrella Commons	Goodyear	171,000	1Q 2024

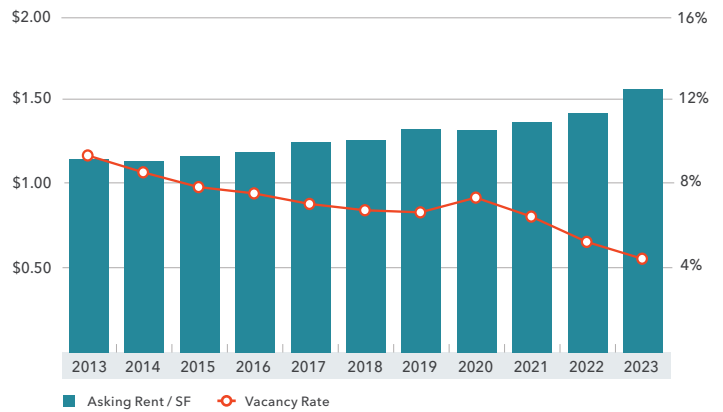
MARKET BREAKDOWN

	4Q23	3Q23	4Q22	Annual % Change
New Construction	270,627	369,860	657,879	-58.86%
Under Construction	2,612,949	2,033,931	2,694,798	-3.04%
Vacancy Rate	4.4%	4.5%	5.2%	-15.38%
Average Asking Rents	\$1.55	\$1.54	\$1.42	9.59%
Average Sales Price/SF	\$249	\$226	\$275	-9.54%
Cap Rates	6.2%	5.9%	5.7%	8.77%
Net Absorption	466,944	573,943	1,280,390	-63.53%

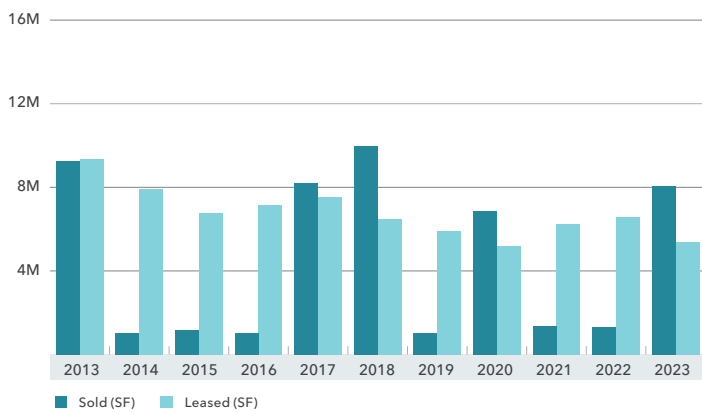
NEW CONSTRUCTION & ABSORPTION



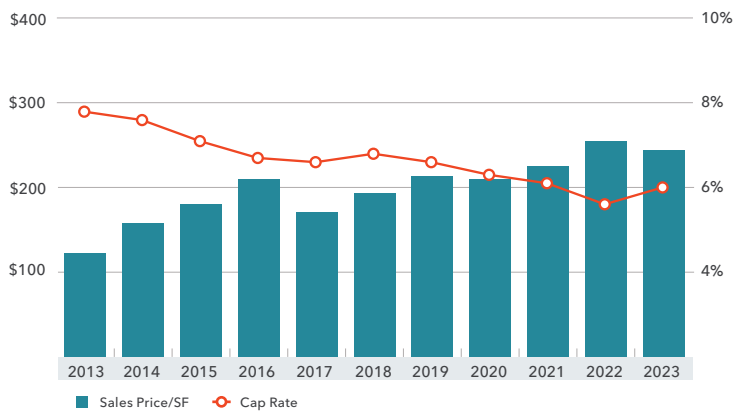
AVERAGE ASKING RENT/SF & VACANCY RATE



SALE VOLUME & LEASE VOLUME



AVERAGE SALES PRICE/SF & CAP RATES



Data Source: CoStar



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

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

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