

**MARKET TRENDS**

# PHOENIX *RETAIL*

 VACANCY

 UNEMPLOYMENT

 RENTAL RATES

 CONSTRUCTION DELIVERIES

Year-Over-Year Change

**SIGNIFICANT SALE TRANSACTIONS 4Q 2025**

Property	Submarket	SF	Sale Price	\$/SF	Buyer	Seller
Mesa Shores	Red Mountain/Mesa	104,250	\$36,750,000	\$353	IVT Mesa Shores 1031, LLC	HVP V Epic Mesa, LLC
Major Anchor	Loop 101/I-10	47,201	\$30,700,000	\$650	Whitegold Ventures, LP	Thompson Thrift
Paradise Valley Bldg A	Central Scottsdale	49,809	\$21,763,593	\$437	JMS Capital, LLC	KRG Phoenix, LLC

**SIGNIFICANT LEASE TRANSACTIONS 4Q 2025**

Property	Submarket	SF	Transaction Date	Tenant
Greenfield Plaza II	Red Mountain/Mesa	52,500	November 2025	Goodwill
Scottsdale Fiesta Shopping Center	Central Scottsdale	36,865	November 2025	Center Court Pickleball
Desert Palms	Chandler	25,197	December 2025	Shine Bright Academy

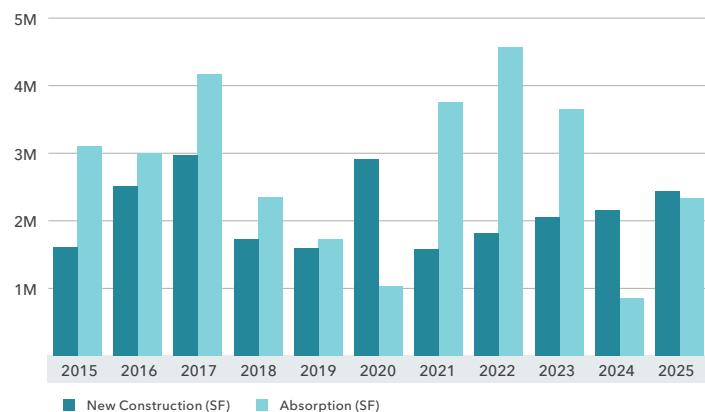
**SIGNIFICANT UNDER CONSTRUCTION**

Property	Submarket	SF	Delivery
Verrado Marketplace	North Buckeye	520,000	3Q 2026
Buckeye Commons	South Buckeye	411,411	1Q 2026
Medina Station	Red Mountain/Mesa	333,505	4Q 2027

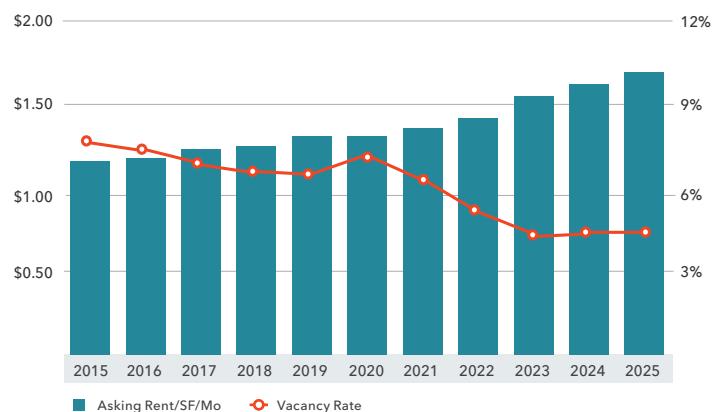
**MARKET BREAKDOWN**

	4Q25	3Q25	4Q24	YOY Change
Vacancy Rate	4.5%	4.6%	4.5%	<b>0 bps</b>
Average Asking Rents/SF/Mo	\$1.69	\$1.67	\$1.62	<b>4.06%</b>
Under Construction (SF)	3,292,057	2,809,370	2,714,116	<b>21.29%</b>
Average Sales Price/SF	\$0	\$520	\$257	<b>N/A</b>
Average Cap Rate	0.0%	13.5%	6.4%	<b>-640 bps</b>
	4Q25	2025	2024	YOY Change
Construction Deliveries (SF)	429,295	2,431,955	2,160,367	<b>12.57%</b>
Net Absorption (SF)	534,433	2,334,928	855,753	<b>172.85%</b>

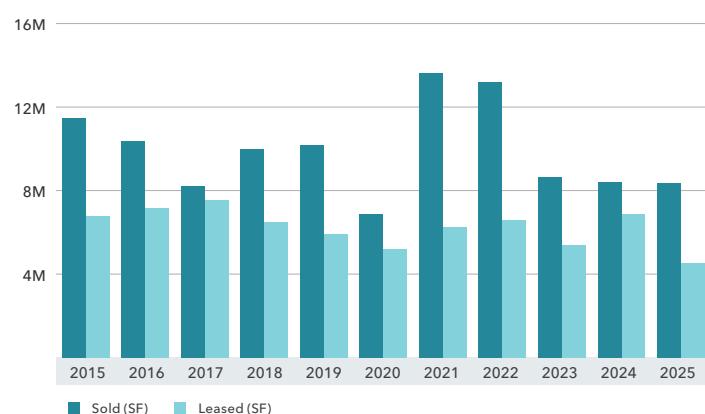
## NEW CONSTRUCTION &amp; ABSORPTION



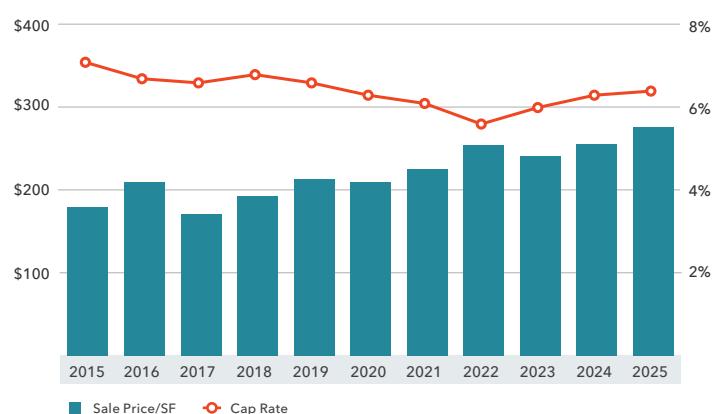
## AVERAGE ASKING RENT/SF &amp; VACANCY RATE



## SALE VOLUME &amp; LEASE VOLUME



## AVERAGE SALE PRICE/SF &amp; CAP RATES



Data Source: CoStar



Kidder Mathews is the largest fully independent commercial real estate firm in the Western U.S., 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

**\$9B**  
AVERAGE TRANSACTION VOLUME

**32.4M**  
ANNUAL SALES SF

**32.5M**  
ANNUAL LEASING SF

## ASSET SERVICES

**54M SF**  
MANAGEMENT PORTFOLIO SIZE

**800+**  
ASSETS UNDER MANAGEMENT

**250+**  
CLIENTS SERVED

## VALUATION ADVISORY

**2,700+**  
AVERAGE ASSIGNMENTS

**42**  
TOTAL APPRAISERS

**23**  
WITH MAI DESIGNATIONS