

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 |

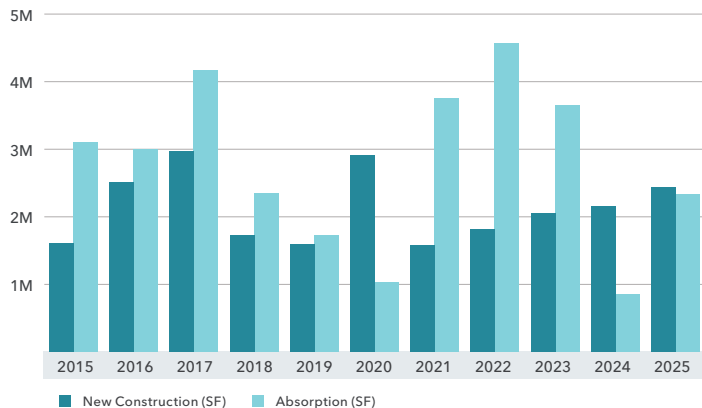
SIGNIFICANT UNDER CONSTRUCTION

| 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 |

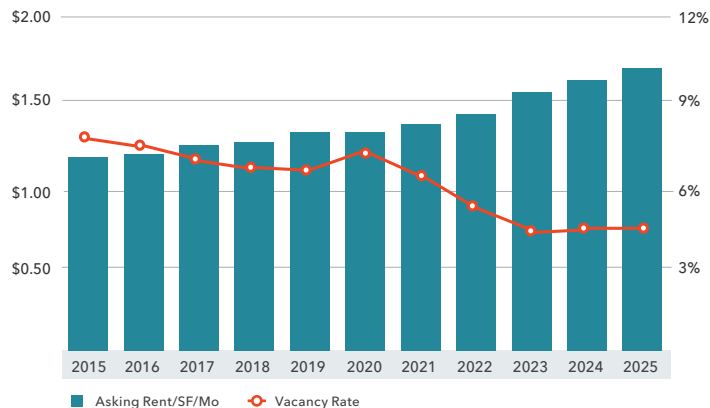
MARKET BREAKDOWN

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

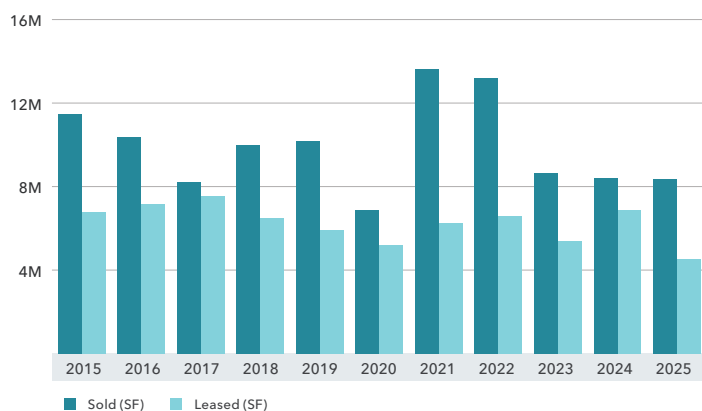
NEW CONSTRUCTION & ABSORPTION



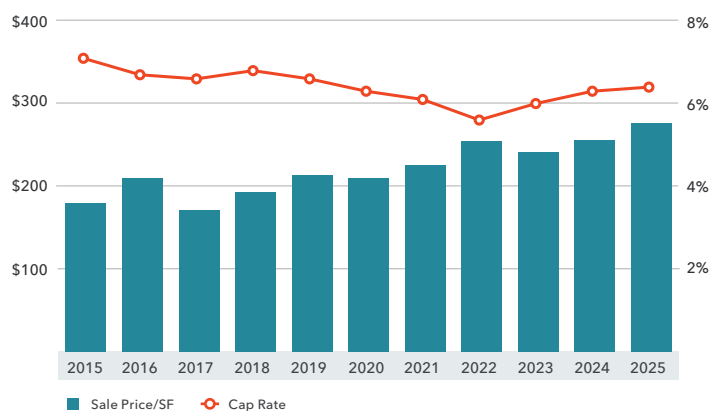
AVERAGE ASKING RENT/SF & VACANCY RATE



SALE VOLUME & LEASE VOLUME



AVERAGE SALE 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

\$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