

DEER VALLEY INSIDER

UNDER
CONSTRUCTION



DELIVERIES



NET
ABSORPTION



VACANCY
RATE



AVERAGE
ASKING RATE



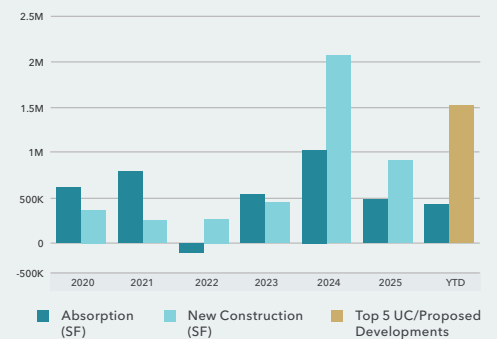
New Construction Fuels Growth and Drives Rising Prices in Deer Valley

Deer Valley's next wave of new supply is already reshaping what tenants will have to pay in the near future. The Top 5 under construction/ proposed developments are bringing roughly 1,525,359 SF to Deer Valley over the next 24 months, anchored by 2402 W Beardsley Rd (807,437 SF) and 20022 N 31st Ave (394,885 SF). Five miles south, Metrocenter is adding another 551,760 SF across two projects on a similar timeline, but that supply won't necessarily offer tenants rental rate relief. Larger chunks of absorption on existing new product are setting the stage for future rent growth in new multi-tenant industrial space, with rising construction costs and land pricing fueling the increase. Quality spec space in the 10,000 to 30,000 SF range remains extremely tight. Tenants and owners should anticipate lease rates climbing above where they stand today. A firm understanding of Deer Valley fundamentals is essential, which is why working with a commercial real estate broker who specializes in the market can save clients thousands of dollars in monthly rent.

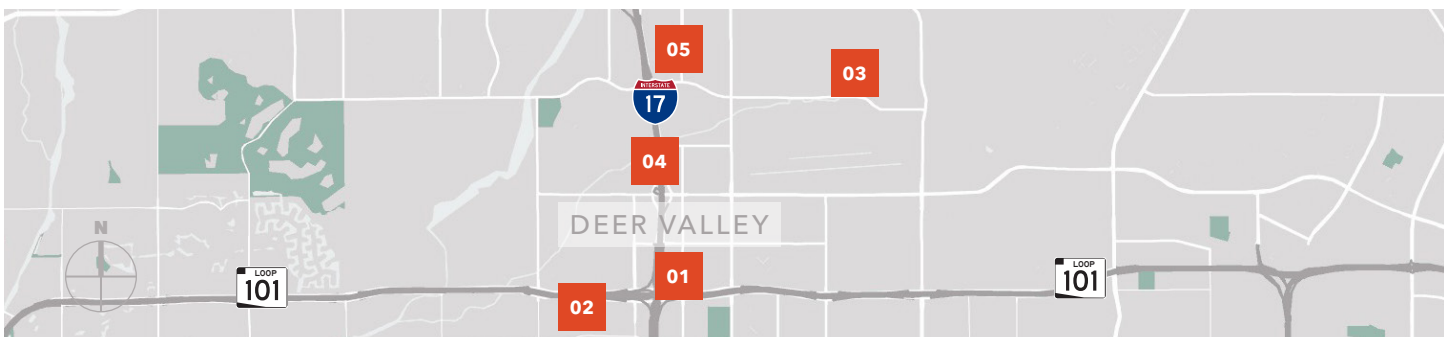
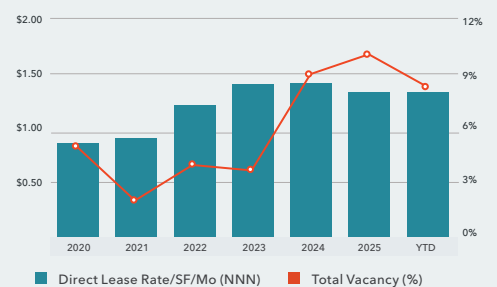
TOP PROPOSED & UNDER CONSTRUCTION PROJECTS

	Property	# Bldgs	Total SF	Expected Delivery	Status
01	2402 W Beardsley Rd	4	807,437	1Q27	U/C
02	20022 N 31st Ave	3	394,885	2Q27	Proposed
03	23777 N 3rd Ave	2	155,150	3Q26	U/C
04	22305 Black Canyon Hwy	1	130,000	3Q27	Proposed
05	1616 W Alameda Rd	1	37,887	3Q26	U/C

NEW CONSTRUCTION & ABSORPTION



LEASE RATE & VACANCY



FEATURED PROPERTIES

**1733 W PARKSIDE LANE**

Phoenix, AZ 85027

TOTAL BUILDING SF	±36,907 SF
A/C PRODUCTION/ MANUFACTURING	High Tech Manufacturing
CLEAR HEIGHT	26'
POWER	2,000A, 277/480V
DOORS	Grade Level (2)
TRUCKWELL	Yes

**2410 W ROYAL PALM ROAD**

Phoenix, AZ 85021

TOTAL BUILDING SF	±16,762 SF
SITE SIZE	±1.60 AC
SUITE A	±8,543 SF - Vacant for Owner/User
SUITE B	±8,219 SF - Leased thru 9/30/27
OH DOOR	(1) 10' x 10'
COURTYARD	Private Secured

**21225 N 9TH PLACE**

Phoenix, AZ 85024

BUILDING SIZE	±16,424 SF
LAND SIZE	±1.045 AC
YARD SPACE	±19,100 SF
GRADE LEVEL DOORS	(3) 16' x 16'
POWER	1,000A, 277/480V, 3 Phase
COOLING	100% A/C

**18008 N BLACK CANYON HWY**

Phoenix, AZ, 85027

TOTAL BUILDING SF	±64,905 SF
AVAILABLE	±26,200 SF (North Side)
POWER	4000A, 277/480V
AIR CONDITIONED	100%
DOOR	Grade Level (2)
LOCATION	I-17 Frontage

**1628 W WILLIAMS DRIVE**

Phoenix, AZ 85027

TOTAL BUILDING SF	±15,649 SF
OFFICE SF	±5,149 SF (Two Floors)
WAREHOUSE SF	±10,500 SF
CLEAR HEIGHT	20' - 22'
POWER	800A, 277/480V
AIR CONDITIONED	100%

**21500 N 8TH WAY, SUITE 160**

Phoenix, AZ 85085

BUILDING SIZE	±62,400 SF Suite 160: ±7,800 SF
CLEAR HEIGHT	24'
DOORS	Loading: (1) 10' x 10' Dock Door, (1) 12' x 14' Grade Level Door
POWER	200A, 277/ 480V
AC	Evaporative Cooled
AVAILABLE	July 1, 2026

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Top 2nd Quarter Transactions

TOP LEASE TRANSACTIONS

Property	Total SF	Date	Tenant	Type
2525 W Corporate Center Dr	85,241	Jun 26	Okland Construction	Direct
1675 W Pinnacle Peak Rd	61,900	Jun 26	Icon Injection Molding	Direct
21430 N 15th Ln	31,037	May 26	KONE	Sublease
23365 N 23rd Ave	18,895	May 26	Precision Science	Renewal
21631 N 3rd Ave	16,862	Apr 26	TSMC Group	Direct
1350 W Rose Garden Ln	9,757	May 26	Trusval Technology	Direct

TOP SALE TRANSACTIONS

Property	Total SF	Date	Sale Price	Price/SF
2932 W Deer Valley Rd	41,824	May 26	\$10,800,000	\$258.22
22200 N 7th St	34,248	Apr 26	\$10,750,000	\$313.89
1654 W Knudsen Dr	25,880	Apr 26	\$8,060,000	\$311.44
875 E Salter Dr	12,899	Jun 26	\$5,000,000	\$387.63
21601 N 9th Ave	16,068	May 26	\$4,995,000	\$310.87

Recent Completed Transactions



875 E SALTER DR

Phoenix, AZ 85024

SF	±12,900 SF
SALE PRICE	\$5,000,000
PRICE/SF	\$387.63



22020 N 21ST AVE

Phoenix, AZ 85027

SF	±4,200 SF
SALE PRICE	\$2,645,000
LAND SIZE	±0.93 AC



1835 W CREST LN

Phoenix, AZ 85027

SF	±11,468 SF
SALE PRICE	\$4,400,000
PRICE/SF	\$384.00 PSF



23320 N 18TH DR

Phoenix, AZ 85027

SF	±11,533 SF
SALE PRICE	\$3,750,000
PRICE/SF	\$325.15 PSF



21430 N 15TH LN

Phoenix, AZ 85029

SF	±31,037 SF
COMPLETED	Sublease



2020 W QUAIL AVE

Phoenix, AZ 85027

SF	±24,563 SF
COMPLETED	Lease Renewal



21105 N 8TH WAY

Phoenix, AZ 85027

SF	±17,351 SF
COMPLETED	Lease Renewal



1725 W WILLIAMS DR

Phoenix, AZ 85027

SF	±5,850 SF
COMPLETED	Lease

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Deer Valley Industrial Market Update

TSMC's continued build-out remains the single biggest demand driver in Deer Valley, and the ripple effect has fully arrived. Vendors and subcontractors tied to the fab, most of whom have spent the past several years as tenants, are now buying land and buildings outright to secure long term operational control near the campus. That shift from lease to own is compounding an already tight supply picture. TSMC suppliers have been actively acquiring land, with recent sales of 52 and 28 acres. In the last quarter, there have been at least 3 industrial acquisitions in the Deer Valley that were tied to TSMC suppliers. The result is a submarket where demand is now structurally outpacing what's available to buy or lease.

That imbalance is most noticeable at the small end of the market. Quality industrial buildings in the 10,000-30,000 SF range, the sweet spot for suppliers and support businesses looking to plant a flag near the fab, are now scarce enough that newer product pricing has pushed toward \$400/SF, a level that would have been unthinkable just a few years ago. If you own a building in this size range in Deer Valley, this is a seller's market with few comparable listings to benchmark against. If you're a tenant looking to lease or a user looking to buy, you'll need to be ready to act fast, and work with a qualified market expert who can coach you on how to get to the finish line.

DEER VALLEY INDUSTRIAL MARKET SNAPSHOT

	2Q26	1Q26	QoQ
TOTAL VACANCY RATE	7.90%	8.80%	-0.90%
TOTAL AVAILABILITY RATE	14.40%	14.60%	-0.20%
DIRECT ASKING LEASE RATE	\$1.40	\$1.36	2.94%
LEASING ACTIVITY (SF)	412,035	348,718	18.16%
SALES VOLUME (SF)	288,094	306,244	-5.93%
DIRECT NET ABSORPTION (SF)	191,744	316,966	-39.51%

For Lease Availabilities



705 S 94TH AVENUE
Tolleson, AZ 85353

Total Building SF: ±100,000 SF	Power: 1600 Amps, 277/480V
Office SF: ±3,496 SF	ESFR Sprinkler System
Site Size: ±5.38 Acres	Zoned I-2, City of Tolleson
Clear Height: 30'	Available: November 1, 2026
2 Grade-Level Doors (12' x 14')	Contact Broker for Lease Rate
16 Dock-High Doors with In-Floor Pit Levelers	



8850 WEST SWEETWATER
Peoria, AZ 85381

Total Building SF: ±153,145 SF	Power: 3,000 Amps, 277/480V
Office SF: ±2,000 SF	ESFR Sprinkler System
Site Size: ±11.24 AC	185' Truck Court
Clear Height: 36'	Available: July 1, 2026
32 Dock-High Doors	Contact Broker for Lease Rate
3 Grade-Level Doors: (1) 14' x 16' & (2) 12' x 14'	

How Can We Help?

With more than 50 years of combined experience along the I-17, Loop 101, and Loop 303 corridors, Eric Bell, Mike Ciosek, and Chase Gianni know this submarket inside and out. Backed by deep industry relationships, the team delivers sharp market insight and executes complex transactions with precision.

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