

Kidder Mathews

INDUSTRIAL REAL ESTATE
QUARTERLY NEWSLETTER | Q3 2026

DEER VALLEY *INSIDER*

UNDER CONSTRUCTION	DELIVERIES	NET ABSORPTION	VACANCY RATE	AVERAGE ASKING RATE
↔	↑	↓	↓	↑

*QoQ Change

In Deer Valley, Waiting Costs More As Availability of Quality Space Shrinks

In Deer Valley right now, hesitation is getting more expensive. Sales volume dropped and leasing cooled this quarter, but those who waited didn't get a break. Rents climbed to $1.46, up 4.3% from last quarter, and vacancy tightened to 7.6%. Less space traded, and pricing got firmer. Demand is getting more selective on an already tight supply picture.

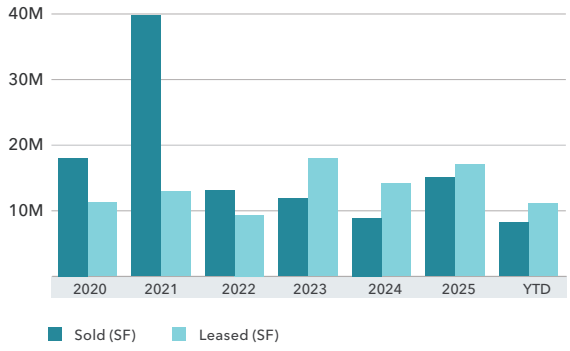
TSMC's multi-fab buildout remains the anchor for demand, but its suppliers and subcontractors are setting the pace. These small to mid-size companies are chasing quality buildings as close to the plant as they can get on their own timelines and their own budgets. Motivated demand fighting over a limited supply of space is why availability keeps shrinking and pricing continues to climb.

The price difference between one property and the next is becoming more significant. Recent sales of 10,000 to 30,000 SF buildings ranged from $288/SF to $375/SF. On a 12,000 SF building, that $87 gap is worth more than $1 million. Timing, market knowledge, and the ability to move quickly can all influence where you land within that range. With asking prices and rents continuing to rise while availability shrinks, waiting can narrow your options and increase your cost. A Deer Valley specialist can help sellers price to capture the premium, guide buyers to the right building at the right number, and help tenants lock in terms before rental rates rise further.

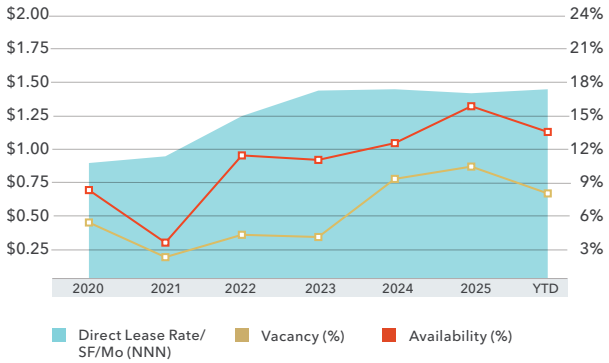
Big users haven't left the market, either. Marketech International Corporation's 151,415 SF lease is proof that large-scale demand is out there, and the best space goes to whoever can move first.

The market sets the range. A local submarket expert makes a big difference in where you land within it.

SALES VOLUME & LEASING ACTIVITY



LEASE RATE, VACANCY, & AVAILABILITY



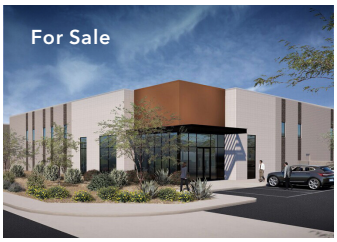
BELL-CIOSEK FEATURED PROPERTIES



1911 W PARKSIDE LN

Phoenix, AZ

BUILDING SIZE	±31,979 SF
OFFICE	First floor: ±8,584 SF office, Second floor: ±7,075 SF office w/ elevator
WAREHOUSE	±16,320 SF manufacturing
POWER	1,600A, 120V, 3 Phase
CLEAR HEIGHT	24′
COOLING	100% HVAC



21205 N 9TH PL

Phoenix, AZ

BUILDING SIZE	±18,512 SF
LAND SIZE	±1.161 AC
YARD SPACE	±20,400 SF
GRADE LEVEL DOORS	(3) 16' x 16'
POWER	1,000A, 277/480V, 3 Phase
COOLING	100% A/C



1628 W WILLIAMS DR

Phoenix, AZ

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



705 E COVEY LN

Phoenix, AZ

BUILDING SIZE	±6,363 SF
OFFICE	±5,377 SF
WAREHOUSE	±986 SF
POWER	1,600A, 120V, 3 Phase
LOADING	1-10′ x 14′ Grade Level Roll Up Door
CLEAR HEIGHT	20′



1733 W PARKSIDE LN

Phoenix, AZ

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



18008 N BLACK CANYON HWY

Phoenix, AZ

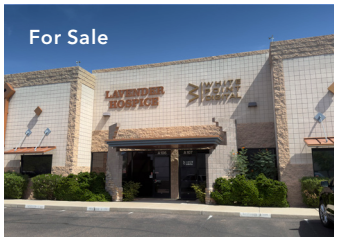
BUILDING SIZE	±64,905 SF
AVAILABLE	±26,200 SF (North Side)
POWER	4000A, 277/480V
AIR CONDITIONED	100%
DOOR	Grade Level (2)
LOCATION	I-17 Frontage



2410 W ROYAL PALM RD

Phoenix, AZ

BUILDING SIZE	±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



20815 N 25TH PL

Unit A106, Phoenix, AZ

BUILDING SIZE	±2,876 SF
WAREHOUSE	±682 SF
CLEAR HEIGHT	16′
LOADING	1 (12′ x 14′) Grade level door
POWER	200A, 120/208V, 3 Phase
COOLING	100% A/C

Top 3rd Quarter Transactions

TOP LEASE TRANSACTIONS

Property	Total SF	Date	Tenant	Type
950 W Rose Garden Ln	151,415	Jul 26	Marketech International Corporation	Direct
1150 W Rose Garden Ln	50,956	Aug 26	PCI	Direct
23620 N 20th Dr	32,845	Jul 26	Tokyo Electron	Direct
1727 E Deer Valley Rd	29,000	Sep 26	Kinematics	Gross
21844 N 19th Ave	7,056	Aug 26	Steele AutoWerks	Direct
23606 N 19th Ave	6,784	Sep 26	Copper Canyon Millworks	Renewal

TOP SALE TRANSACTIONS

Property	Total SF	Date	Sale Price	Price/SF
2025 W Quail Ave	26,681	Aug 26	$9,050,000	$339.19
20802 N 19th Ave	15,465	Sep 26	$4,450,000	$287.75
21625 N Central Ave	12,645	Aug 26	$4,150,000	$328.19
1725 E Robin Ln	12,000	Sep 26	$4,500,000	$375.00
205 W Deer Valley Rd	10,050	Sep 26	$3,300,000	$328.36

Recent Bell-Ciosek Completed Transactions



950 W ROSE GARDEN LN

Phoenix, AZ

SF	±151,415 SF
COMPLETED	Lease



1727 E DEER VALLEY RD

Phoenix, AZ

SF	±29,000 SF
COMPLETED	Lease



1845 W 1ST ST

Phoenix, AZ

SF	±24,474 SF
COMPLETED	Sublease



23606 N 19TH AVE

Phoenix, AZ

SF	±6,784 SF
COMPLETED	Lease Renewal



21625 N CENTRAL AVE

Phoenix, AZ

SF	±12,645 SF
SALE PRICE	$4,150,000
PRICE/SF	$328.19



875 E SALTER DR

Phoenix, AZ

SF	±12,900 SF
SALE PRICE	$5,000,000
PRICE/SF	$387.60



1835 W CREST LN

Phoenix, AZ

SF	±11,468 SF
SALE PRICE	$4,400,000
PRICE/SF	$383.67



20819 N 25TH PL

Phoenix, AZ

SF	±2,825 SF
SALE PRICE	$885,000
PRICE/SF	$313.27

Selling the Business, the Building, and Moving On In Deer Valley

Over the past several months, we've seen a clear pattern in Deer Valley: longtime owner-operators who own both their company and the building it sits in are deciding to sell both and retire. The reasons are consistent. Industrial real estate values in the Northwest Valley are at or near the highest levels we've ever seen, making the building one of the largest assets on an owner's balance sheet. At the same time, finding, training, and keeping good people has become one of the biggest headaches many of these owners face. After 20 or 30 years, plenty of them are ready to step away.

And buyers are there to step in. Private equity groups, family offices, and strategic buyers are still holding substantial capital and actively looking for well-run, established businesses to acquire.

The key point for owners is the business and the real estate don't have to sell to the same buyer, and often shouldn't. Many business acquirers, especially private equity, prefer not to own real estate. That opens options: sell the building to the business buyer, sell it to an investor with a new lease in place, keep it and collect rent as a landlord, or sell it vacant to another owner-operator.

Each path produces a different number and a different tax outcome, so the real estate decision deserves the same attention as the business sale. If you're starting to think about your own exit, we're glad to give you a confidential read about what your building is worth today and how buyers would view it.

DEER VALLEY INDUSTRIAL MARKET SNAPSHOT

	3Q26	2Q26	QoQ
TOTAL VACANCY RATE	7.60%	7.90%	-0.30%
TOTAL AVAILABILITY RATE	13.10%	14.40%	-1.30%
DIRECT ASKING LEASE RATE	$1.46	$1.40	4.29%
LEASING ACTIVITY (SF)	346,383	412,035	-15.93%
SALES VOLUME (SF)	195,410	288,094	-32.17%
DIRECT NET ABSORPTION (SF)	125,332	191,744	-34.64%

Team For Lease Availabilities



705 S 94TH AVE
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 W SWEETWATER AVE
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: Now
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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