



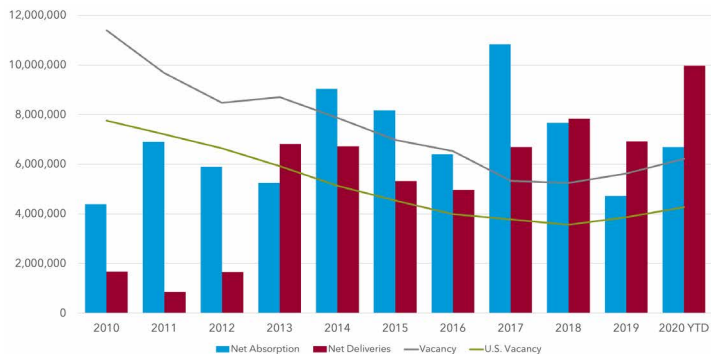
INDUSTRIAL MARKET OVERVIEW

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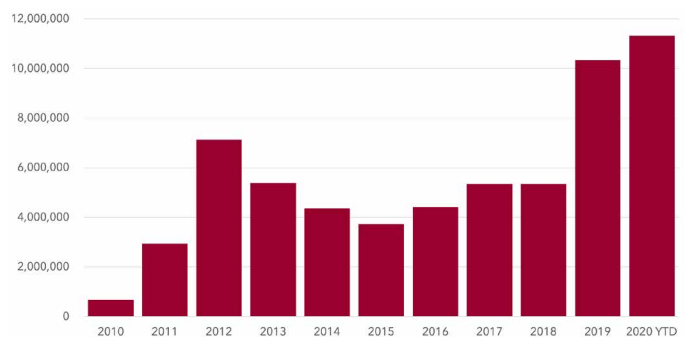
The Phoenix Industrial market continues to see solid demand, rising rents and record construction through the first three quarters of 2020. 2.6M square feet of positive absorption and over 11M square feet under construction demonstrates that tenants' and developers' appetites have not slowed. Credit tenants Honeywell, MLILY and Amazon continue to see the Metro Phoenix market as an attractive option despite the ongoing pandemic.

MARKET INDICATORS	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
▲ Net Absorption	2,608,239 SF	2,004,953 SF	1,922,163 SF	1,431,647 SF	2,063,180 SF
▲ Vacancy Rate	8.3%	7.8%	7.6%	7.1%	7.2%
▲ Avg NNN Asking Rate	\$7.68 PSF	\$7.56 PSF	\$7.56 PSF	\$7.68 PSF	\$7.56 PSF
▼ Under Construction	11,319,973 SF	13,294,449 SF	15,504,621 SF	13,051,020 SF	9,694,227 SF
▲ Inventory	329,121,062 SF	325,552,533 SF	321,597,789 SF	317,880,835 SF	316,364,852 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10205 & 10209 W. Roosevelt St Avondale, AZ	651,775 SF	\$57,000,000 \$87.45 PSF	PGIM, Inc. Crow Holding	Class A
16601 W. Sells St Goodyear, AZ	970,000 SF	\$56,690,198 \$56.38 PSF (Option)	UPS First Industrial Realty	Class A
The Landing I - 6 Bldgs. Mesa, AZ	218,058 SF	\$44,200,000 \$157.26 PSF	Mounton Company Carlyle/Marwest	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3350 N. Cotton Lane Goodyear, AZ	643,798 SF	First Industrial Realty	MLILY	Mattress
2200 & 2323 S. 48th St Phoenix, AZ	347,555 SF	Prologis	Ball Manufacturing	Packaging
3030 S. 40th Street - Bldg. 1 & 2 Phoenix, AZ	320,700 SF	Conner/Globe	Amazon	E-Commerce

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