



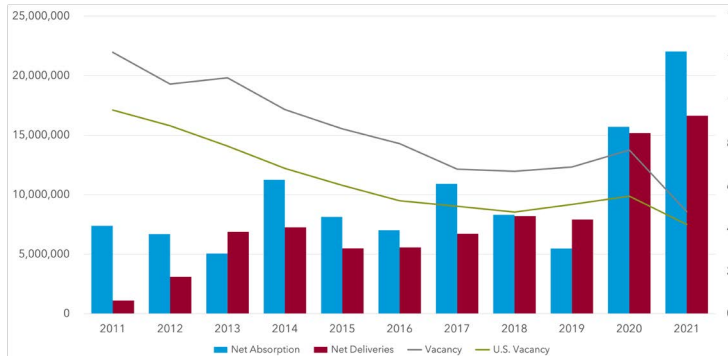
### INDUSTRIAL MARKET OVERVIEW

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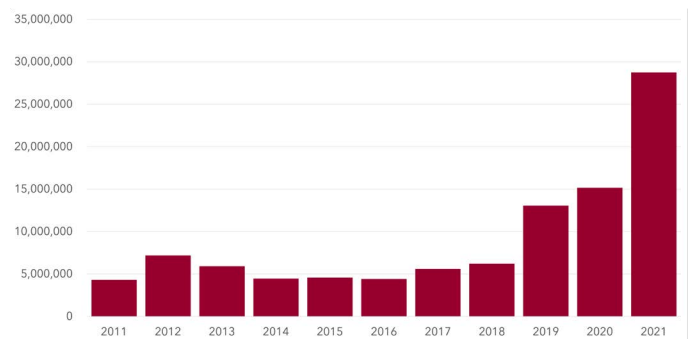
The Phoenix Industrial Market recorded the best year in its history in 2021, with record low vacancy rates, net absorption levels never seen before and more product under construction than ever before. The Phoenix market absorbed 22 million square feet in 2021, nearly three times the 10 year average, dropping the vacancy down to 4.8% overall. There were roughly 28 million square feet of industrial buildings under construction at the end of the year with approximately 5 million square feet, or 17% being pre-leased or built to suit.

MARKET INDICATORS	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
▼ 12 Mo. Net Absorption SF	22,016,547	22,958,161	19,799,775	15,977,084	13,807,894
▼ Vacancy Rate	4.80%	5.50%	6.20%	7.30%	7.70%
▲ Avg NNN Asking Rate PSF	\$8.64	\$8.40	\$8.28	\$8.04	\$7.80
▲ SF Under Construction	28,753,259	26,063,863	21,997,529	14,253,505	15,166,913
▲ Inventory SF	345,606,714	343,897,362	340,882,391	337,122,780	333,373,181

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Logic Park 91 (3 Bldgs.) Tolleson, AZ	728,390 SF	\$135,888,337 \$186.56 PSF	Pauls Corporation Marwest Enterprises	Class A
Fairway 10 (3 Bldgs.) Avondale, AZ	720,317 SF	\$126,750,000 \$175.96 PSF	CBRE Global Investors Westcore Properties	Class A
Gilbert Gateway (3 Bldgs.) Mesa, AZ	416,593 SF	\$91,000,000 \$218.44 PSF	Black Creek Group Black Creek Group	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
16155 W. Elwood Street Goodyear, AZ	1,302,434 SF	Tratt Properties	Home Depot	Retail
Cubes - Mesa Gateway Mesa, AZ	1,263,000 SF	CRG Real Estate	Lowe's	Retail
7723 N. Reems Road Glendale, AZ	1,200,140 SF	CRG Real Estate	Williams Sonoma	E-Commerce

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