



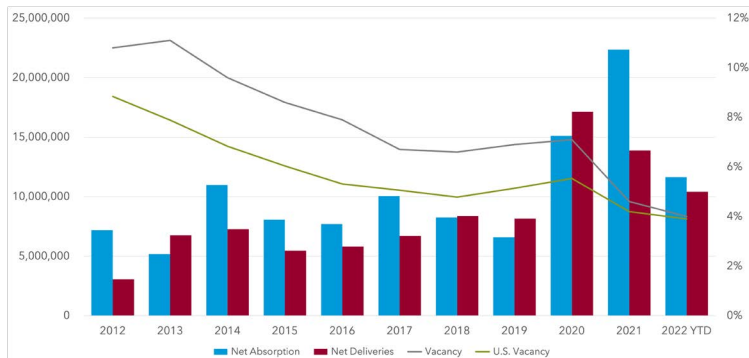
INDUSTRIAL MARKET OVERVIEW

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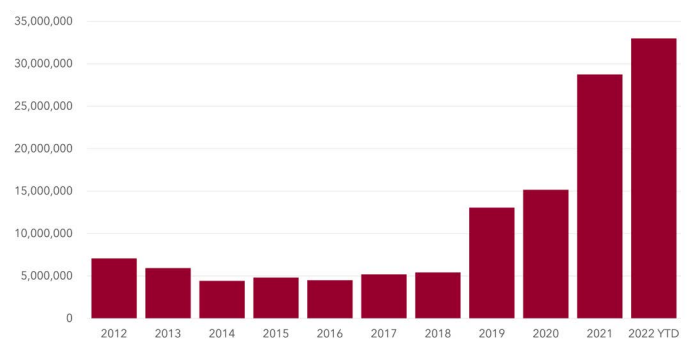
The Phoenix Industrial Market remained one of the top performing markets nationally setting near quarterly records for construction, asking rents and absorption. Even with record new construction, tenants continue to compete for available space meeting their size and timing requirements as demand for every size range remains strong. Vacancy rates continued to compress as the overall rate dropped to a record 4%. With 47 consecutive quarters of positive net absorption driving both vacancy rates and lease rates to historic lows Phoenix has shown no signs of a slow down. Looking forward, a careful eye on the upward movement of interest rates will need to be monitored as a potential headwind.

MARKET INDICATORS	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
▼ Monthly Net Absorption SF	4,789,550	6,849,290	5,524,391	5,965,271	5,778,155
▼ Vacancy Rate	4.0%	4.30%	4.70%	5.20%	5.90%
▲ Avg NNN Asking Rate PSF	\$9.48	\$8.88	\$8.28	\$8.16	\$7.80
▼ SF Under Construction	33,000,361	35,629,639	28,753,259	26,063,863	21,997,529
▲ Inventory SF	354,482,546	350,686,864	344,993,291	341,082,229	337,050,723

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2600 S. Miller Road Buckeye, AZ	862,622 SF	\$128,650,000 \$149.14 PSF	Cohen Asset Management Creation Equity	Class A
6735 & 6575 W. Frye Road Chandler, AZ	245,232 SF	\$62,384,280 \$254.39 PSF	LaSalle Investment Conor Commercial	Class A
Pecos Commerce Ctr. - 6 Buildings Mesa, AZ	222,457 SF	\$60,250,000 \$270.84 PSF	Investcorp Wilson Property Service	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
303 Crossroads, Building A Waddell, AZ	1,023,610 SF	Clarius Partners	Puma USA	Retail
Cabot303 Litchfield Park, AZ	542,975 SF	Cabot Properties	Logistics Plus	Logistics
Goodyear Industrial Center Goodyear, AZ	450,619 SF	CIM Group	NPSG Global	e-Commerce

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