



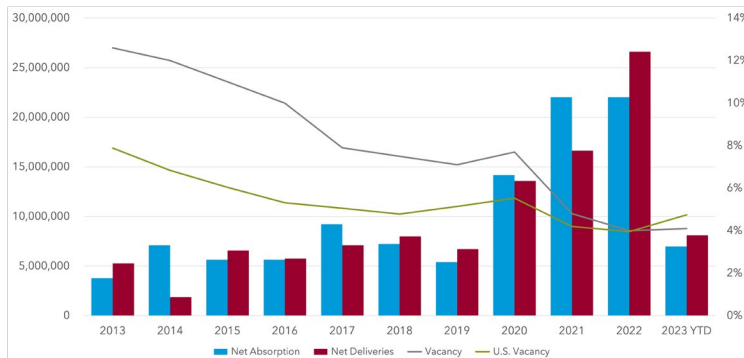
INDUSTRIAL MARKET OVERVIEW

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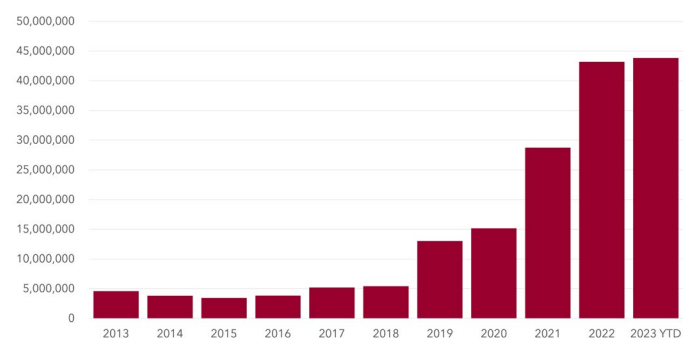
The Phoenix industrial market has been thriving, driven by population growth, e-commerce expansion, and a strong logistics sector. The region has been attracting both local and national industrial companies, leading to record construction, rental growth, and net absorption. Phoenix continues to be a top producing industrial market due to its strategic location, favorable business environment, and lower cost of doing business.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ Qtrly Net Absorption SF	2,173,140	4,508,489	4,525,312	3,525,026	4,789,550
▼ Vacancy Rate	3.8%	4.0%	4.0%	3.9%	4.0%
▲ Avg NNN Asking Rate PSF	\$12.24	\$11.88	\$10.56	\$10.08	\$9.48
▼ SF Under Construction	43,839,972	55,291,088	43,197,614	45,330,326	33,000,361
▲ Inventory SF	375,658,060	372,918,165	367,223,661	359,359,407	354,482,546

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
99th Avenue & Buckeye Road (3 Bldgs) Tolleson, AZ	1,282,863 SF	\$165,000,000 \$128.62 PSF	KKR & Co. George Oliver	Class A
15132 N. Camelback Road Glendale, AZ	599,486 SF	\$81,698,544 \$136.28 PSF	Cohen Assest Management US Capital Development	Class A
7421 N. Reems Road Glendale, AZ	570,080 SF	\$82,661,600 \$145.00 PSF	Fundrise CRG/Clayco, Inc.	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
15600 W. Camelback Road Litchfield Park, AZ	331,683 SF	SteelWave/NY Life	CJ Logistics, Inc.	3PL
25651 W. Durango Street Buckeye, AZ	326,103 SF	Crimson Canyon	Exxon	Fuel Distribution
SWC Buckeye Road & 103rd Avenue Tolleson, AZ	321,892 SF	Lincoln Property Co.	Tempur-Pedic	Mattress Manufacturing

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