



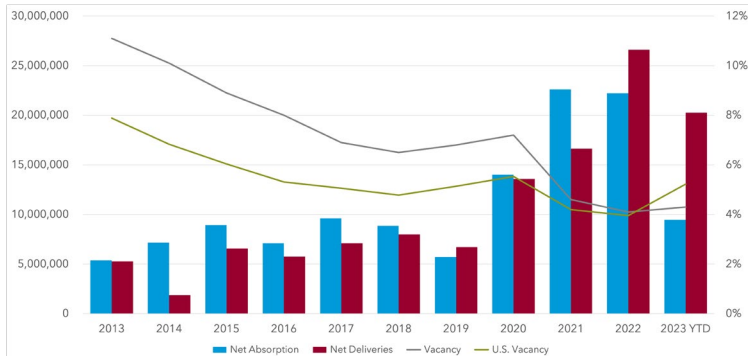
### INDUSTRIAL MARKET OVERVIEW

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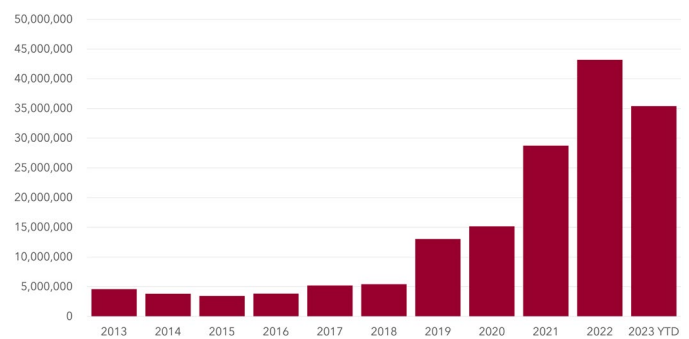
The Phoenix industrial market maintained its robust growth and strong user demand throughout the conclusion of the third quarter. During this quarter, there was net absorption of 2,480,199 square feet, bringing the total for the year to 9,465,232 square feet. While this figure is slightly lower than the previous two record-breaking years, it remains significantly above the ten-year average. The resilience of the Phoenix industrial market is projected to persist throughout 2024, despite a few developers temporarily halting projects due to prevailing economic challenges.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ Qtrly Net Absorption SF	2,480,199	2,173,140	4,508,489	4,525,312	3,525,026
▲ Vacancy Rate	4.3%	3.8%	4.0%	4.0%	3.9%
▲ Avg NNN Asking Rate PSF	\$12.60	\$12.24	\$11.88	\$10.56	\$10.08
▼ SF Under Construction	35,404,702	43,143,294	55,291,088	43,197,614	45,330,326
▲ Inventory SF	383,911,018	375,658,060	372,918,165	367,223,611	359,359,407

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6605 N. Sarival Avenue Goodyear, AZ	1,253,382 SF	\$105,000,000 \$83.77 PSF	EQT Exeter Hines	Class A
15101 & 15151 W. Hatcher Road Waddell, AZ	906,125 SF	\$92,719,745 \$102.33 PSF	Westcore Ryan Companies	Class A
6 Property Portfolio Phoenix, AZ	586,915 SF	\$105,500,000 \$179.75 PSF	ViaWest Group TA Realty	Multiple

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3815 N. Cotton Lane Goodyear, AZ	488,400 SF	Lexington/Merit	DHL/Figs	Wholesale
275 W. Pinnacle Peak Road Phoenix, AZ	207,984 SF	Marck Real Estate	Axon Enterprises	Technology
3265 S. Crismon Road Mesa, AZ	192,580 SF	Eisenberg Company	Paulo Solar Company	Solar

