



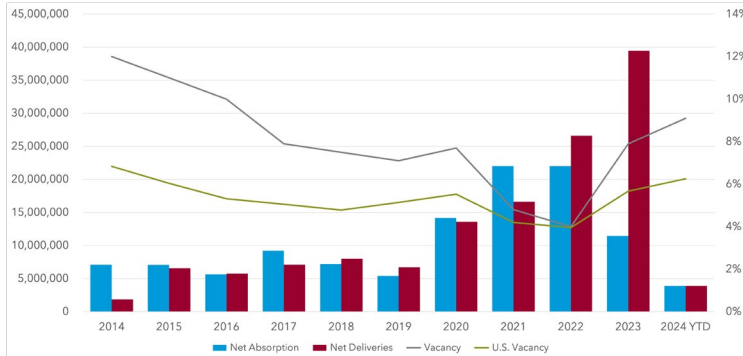
INDUSTRIAL MARKET OVERVIEW

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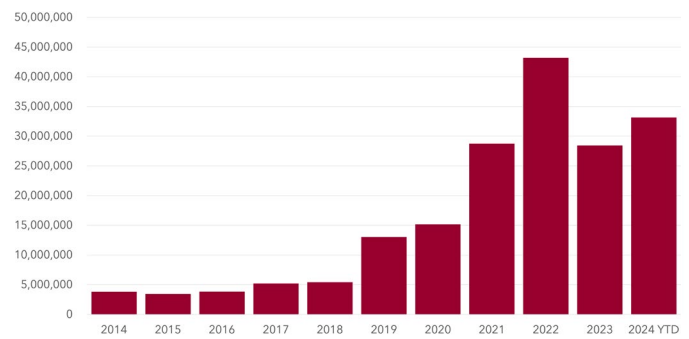
The Phoenix Industrial Market remains robust, with notable upticks in key metrics. Market rates have risen to \$1.13 per square foot, accompanied by significant positive net absorption of 3,914,802 square feet in the first quarter. The introduction of new properties has led to an increase in the overall vacancy rate, which reached 9.1% at the end of the period, representing a 5.1% year-over-year increase. Despite the influx of new constructions, demand in the Phoenix industrial sector remains substantial.

MARKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
▲ Qtrly Net Absorption SF	3,914,802	1,976,847	2,480,199	2,173,140	4,508,489
▲ Vacancy Rate	9.1%	7.9%	4.3%	3.8%	4.0%
▲ Avg NNN Asking Rate PSF	\$12.96	\$12.48	\$12.60	\$12.24	\$11.88
▲ SF Under Construction	33,151,190	28,430,780	35,404,702	43,143,294	55,291,088
▲ Inventory SF	409,344,656	404,091,099	383,911,018	375,658,060	372,918,165

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Gilbert Portfolio (6 Bldgs.) Gilbert, AZ	428,453 SF	\$71,050,000 \$165.83 PSF	ViaWest Group Clarion Partners	Class B
202 Business Park (9 Bldgs.) Gilbert, AZ	268,698 SF	\$51,600,000 \$192.04 PSF	Two Sigma Brookfield Corporation	Class B
Chandler Business Park (4 Bldgs.) Goodyear, AZ	318,683 SF	\$42,565,678 \$113.57 PSF	CapRock Partners Sun State Builders	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4780 N. Cotton Lane Goodyear, AZ	1,222,480 SF	Prologis, Inc.	Amazon, Inc.	eCommerce
15301 W. Northern Avenue Glendale, AZ	1,200,140 SF	CRG/Clayco, Inc.	Amazon, Inc.	eCommerce
NWC McDowell Rd. & Perryville Rd. Buckeye, AZ	1,056,353 SF	US Capital/ ARES Industries	Amazon, Inc.	eCommerce

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