

Real Estate Market Review

Phoenix Multifamily

Top Sale Transactions for 2Q18

| Property | Submarket | # of Units | Sale Price | Price/Unit | Buyer | Seller |
|-----------------------------------|-------------------|------------|---------------|------------|---|---|
| Dakota at McDowell Mountain Ranch | North Scottsdale | 736 | \$160,000,000 | \$217,391 | CBRE Global Investors, LTD | UBS Global Asset Management Real Estate |
| Hanover Mill Avenue | Downtown Tempe | 341 | \$95,100,000 | \$278,885 | Goldman Sachs Asset Management, LP | The Hanover Company |
| Capri on Camelback | Camelback | 556 | \$81,250,000 | \$146,133 | TIAA-CREF Investment Management, LLC | The Blackstone Group |
| Galleria Palms | West Tempe | 418 | \$75,100,000 | \$177,122 | TruAmerica Multifamily, Inc. & Oaktree Capital Management, LP | AEW Capital Management |
| Olympus Steeleyard | Downtown Chandler | 301 | \$69,250,000 | \$230,066 | Olympus Property | PGIM, Inc. |

Top Under Construction

| Property | Address | Submarket | # of Units | Owner | Delivery Date |
|--|------------------------|---------------------|------------|--------------------------|---------------|
| Camden North End | North Scottsdale Road | Scottsdale Airpark | 1,069 | Camden Property Trust | November 2019 |
| District at The Quarter | 15501 N Dial Blvd | Desert Horizon Park | 644 | Kaplan Management Co. | July 2018 |
| The Pier 202 | 1125 E Rio Salado Pkwy | Downtown Tempe | 551 | Spring Brook Development | April 2019 |
| The Grand at Papago Park Center Apartments | 1101 W Washington St | North Tempe | 550 | Lincoln Property Company | August 2018 |
| University Square Apartments | 130 W University Dr | Downtown Tempe | 444 | Sundt Construction | July 2018 |

Top Completed Construction

| Property | Address | Submarket | # of Units | Owner | Delivery Date |
|-----------------------------|----------------------|-----------------|------------|--|---------------|
| Peak 16 | 5151 N 16th St | Uptown Phoenix | 233 | Van Trust Real Estate | April 2018 |
| Bridgewater Assisted Living | 4000 N 3rd Ave | Midtown Phoenix | 140 | Solterra Assisted Living | May 2018 |
| Avilla Victoria | 20450 E Ocotillo Rd | Queen Creek | 82 | Robert Wilson | May 2018 |
| Ascend on Cave Creek | 23555 E Desert Pkwy | North Gateway | 61 | DHI Communities Construction of Arizona, LLC | June 2018 |
| Avilla Victoria – Phase II | 20364 E Appaloosa Dr | Queen Creek | 58 | Robert Wilson | June 2018 |

Market Forecast Trends



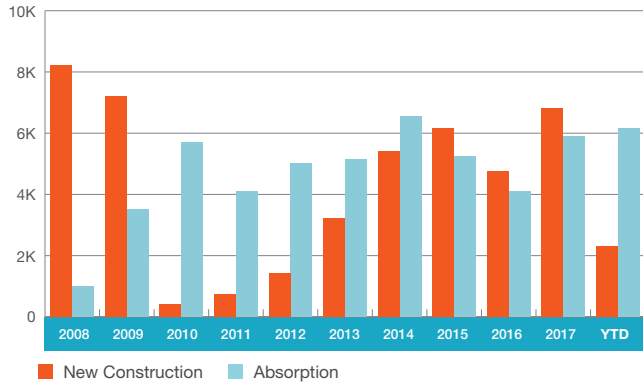
Market Snapshot

| | 2Q 2018 | 1Q 2018 | 2Q 2017 | Annual % Change |
|----------------------|-----------|-----------|-----------|-----------------|
| New Construction | 675 | 1,640 | 1,066 | -36.68% |
| Under Construction | 18,951 | 18,512 | 17,969 | 5.46% |
| Vacancy Rate | 5.70% | 6.40% | 6.50% | 12.31% |
| Average Asking Rents | \$995 | \$975 | \$944 | 5.40% |
| Average Sales Price | \$143,625 | \$137,220 | \$113,713 | 26.30% |
| Cap Rate | 6.16% | 5.58% | 5.85% | 5.30% |
| Net Absorption | 2,744 | 3,408 | 53 | N/A |

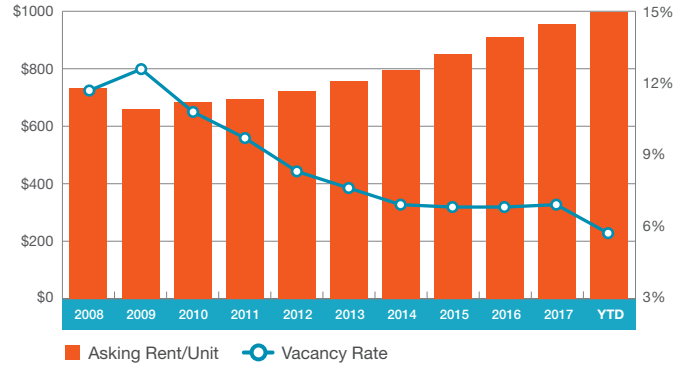
Average Rent

| Unit Size | Monthly Rent |
|-----------|--------------|
| Studio | \$790 |
| 1 Bedroom | \$914 |
| 2 Bedroom | \$1,062 |
| 3 Bedroom | \$1,352 |

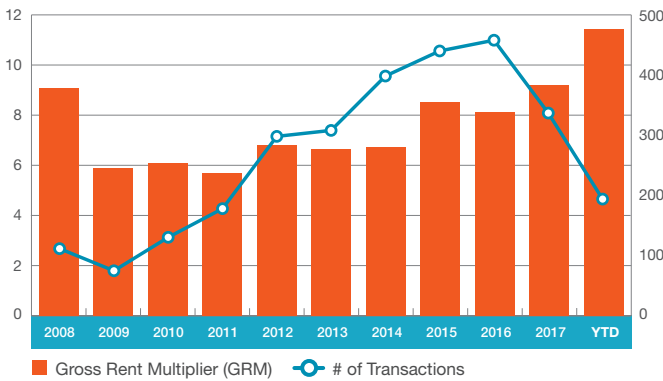
NEW CONSTRUCTION & ABSORPTION IN UNITS



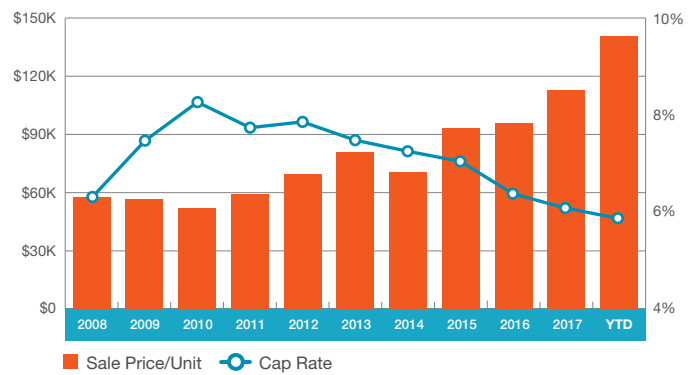
AVERAGE ASKING RENT/UNIT & VACANCY RATE



GRM & NUMBER OF SALE TRANSACTIONS



AVERAGE SALES PRICE/UNIT & CAP RATES



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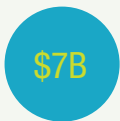
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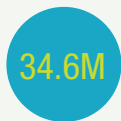
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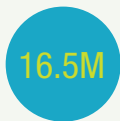
COMMERCIAL BROKERAGE



ANNUAL TRANSACTION VOLUME



ANNUAL LEASING SF



ANNUAL SALES SF



BROKERS

PROPERTY MANAGEMENT

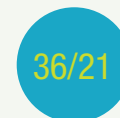


MANAGEMENT PORTFOLIO

VALUATION ADVISORY



ASSIGNMENTS ANNUALLY



TOTAL # APPRAISERS/MAI'S



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