

Real Estate Market Review

# Phoenix Retail

## Top Sale Transactions for 2017

Property	Submarket	Square Feet	Sale Price	Price/SF	Cap Rate	Buyer	Seller
Palm Valley Marketplace	Goodyear/Litchfield	107,633	\$22,450,000	\$208.58	5.78%	Sterling Organization	Public Employees Retirement
Luxor of Scottsdale	South Scottsdale	29,388	\$16,500,000	\$561.45	-	The Carlyle Group	David L. Chapman Property Trust
Living Spaces	Gilbert	98,400	\$14,803,814	\$150.45	-	Living Spaces Furniture LLC	Ryan Companies US, Inc
1610-1660 E Camelback Road	Downtown Phoenix	19,150	\$13,652,428	\$712.92	-	William K. Perry Farms	Crow Holdings Capital
Thunderbird Village	Glendale	82,100	\$12,500,000	\$152.25	7.90%	American CA Property Mgmt. Co	Thundervilla Investors, LLC

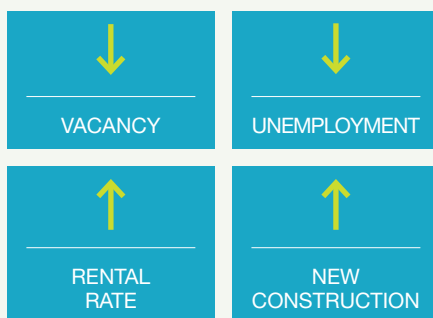
## Top Lease Transactions for 2017

Property	Submarket	Square Feet	Date	Landlord	Tenant
4820 E Ray Road	Ahwatukee Foothills	63,697	January 2017	CIBC Bank USA	Mountainside Fitness
185 W Apache Trail	Apache Junction	62,605	December 2017	The Kroger Company	-
Home Road & 99th Avenue	Glendale	60,000	September 2017	John F. Long Properties	Drive Shack
147 S Dobson Road	Red Mountain/Mesa	58,000	June 2017	Howard Cassett	-
20745-20831 N Scottsdale Road	North Scottsdale	57,539	February 2017	Physicians Realty Trust	Honor Health

## Top Under Construction

Property	Address	Submarket	Square Feet	Owner	Delivery Date
Fry's Marketplace	Indian School Road & Jackra Trail	North Buckeye	124,070	DMB Associates, Inc.	March 2018
20697 N John Wayne Parkway	20697 N John Wayne Parkway	Pinal County	78,750	Land Capital Group, Inc.	March 2018
Ocotillo Trails Marketplace	40975 N Ironwood Road	Apache Junction	55,000	-	January 2018
Crossroads Towne Center	2608 E Germann Road	Gilbert	50,000	-	March 2018
Burlington Coat Factory	2650 E Germann Road	Gilbert	50,000	Vestar CTC Chandler Phase 2 LLC	February 2018

### Market Forecast Trends



### Market Snapshot

	2015	2016	2017	Annual % Change
New Construction	1,324,078	2,246,232	1,852,186	-17.54%
Under Construction	1,367,191	1,417,680	1,079,532	-23.85%
Vacancy Rate	8.8%	8.6%	7.8%	-9.30%
Average Asking Rents	\$14.28	\$14.52	\$15.36	5.79%
Average Sales Price	\$2,224,924	\$2,756,098	\$2,598,123	-5.73%
Cap Rate	7.13%	6.63%	6.48%	-2.26%
Net Absorption	2,288,948	2,625,717	3,444,190	N/A

**Offices**

**Seattle**  
206.296.9600

**Bellevue**  
425.454.7040

**South Seattle**  
206.248.7300

**Tacoma**  
253.722.1400

**Olympia**  
360.705.2800

**Portland**  
503.221.9900

**San Francisco**  
415.229.8888

**Redwood Shores**  
650.769.3600

**Silicon Valley**  
408.970.9400

**Sacramento**  
916.970.9700

**Roseville**  
916.751.3600

**Los Angeles**  
213.880.5250

**Commerce**  
323.727.1144

**Long Beach**  
562.472.0071

**Orange County**  
949.557.5000

**Inland Empire**  
909.764.6500

**San Diego**  
858.509.1200

**Carlsbad**  
760.430.1000

**Reno**  
775.301.1300

**Phoenix**  
602.513.5200

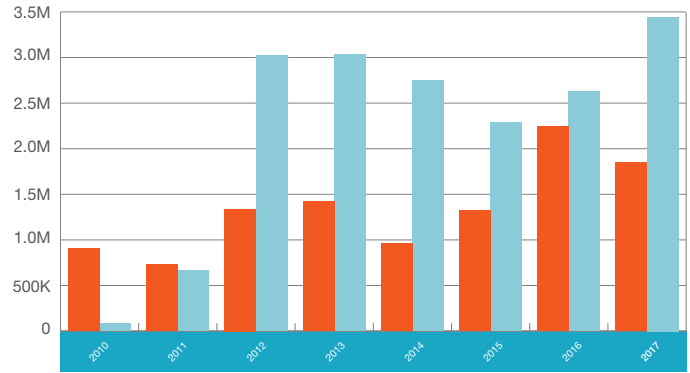
**Contact**

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Designated Broker  
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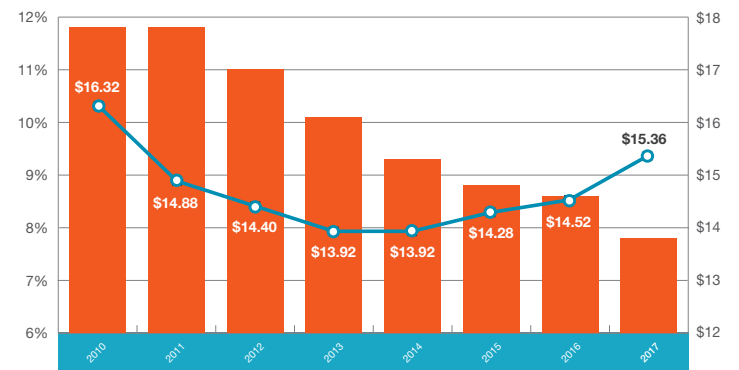
**NEW RETAIL CONSTRUCTION & ABSORPTION**

■ New Construction  
■ Absorption



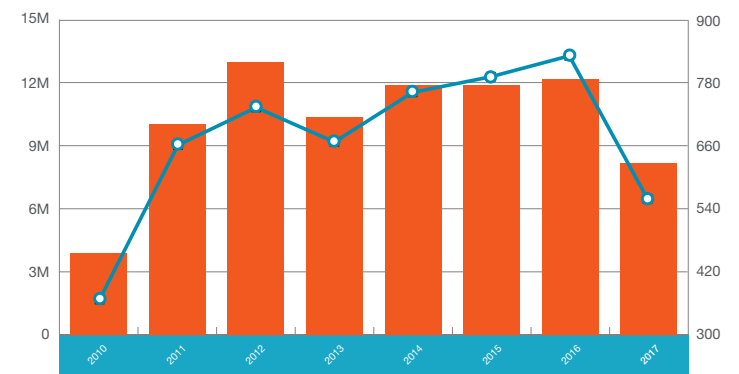
**AVERAGE ASKING RENT/SF & VACANCY RATE\***

■ Vacancy Rate  
○ Asking Rent/SF



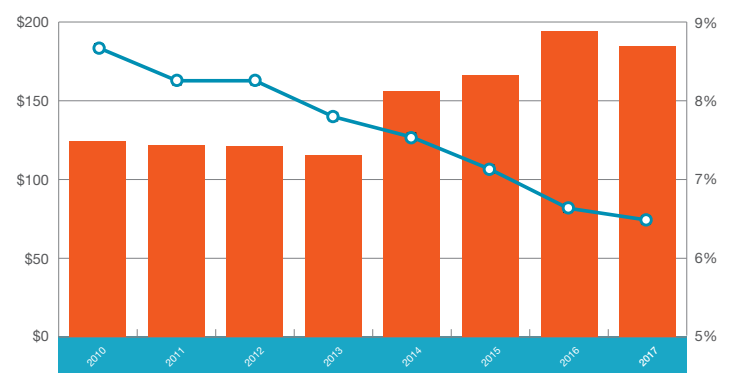
**SQUARE FEET SOLD & NUMBER OF SALE TRANSACTIONS**

■ SF Sold  
○ # of Transactions



**AVERAGE SALES PRICE/SF & CAP RATES**

■ Average Sales Price/SF  
○ Cap Rate



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