

# Metro Phoenix Office Market Statistics

## Fourth Quarter 2013

MARKET SUMMARY						DIRECT NET ABSORPTION			OVERALL NET ABSORPTION			YTD	YTD	Direct	
Market	Inventory	No. of Bldgs	Direct Vacant	Vacancy Rate	Overall Vacancy Rate	4Q	YTD	Trailing Four Quarters	4Q	YTD	Trailing Four Quarters	Leasing Activity	SF Delivered	Under Const.	Wtd. Avg. Rental Rate
1 Downtown	6,751,093	41	1,015,118	15.0%	15.6%	(15,939)	(30,120)	(30,120)	(18,805)	(9,358)	(9,358)	121,994	0	155,000	\$24.43
2 Midtown	9,695,256	82	2,555,273	26.4%	27.2%	59,102	(111,398)	(111,398)	74,562	(72,429)	(72,429)	286,059	0	0	\$19.42
<b>PHOENIX CBD</b>	<b>16,446,349</b>	<b>123</b>	<b>3,570,391</b>	<b>21.7%</b>	<b>22.4%</b>	<b>43,163</b>	<b>(141,518)</b>	<b>(141,518)</b>	<b>55,757</b>	<b>(81,787)</b>	<b>(81,787)</b>	<b>408,053</b>	<b>0</b>	<b>155,000</b>	<b>\$21.00</b>
<b>Central Phoenix</b>	<b>11,635,205</b>	<b>208</b>	<b>2,513,781</b>	<b>21.6%</b>	<b>22.2%</b>	<b>40,536</b>	<b>355,839</b>	<b>355,839</b>	<b>48,018</b>	<b>427,189</b>	<b>427,189</b>	<b>730,145</b>	<b>0</b>	<b>0</b>	<b>\$22.68</b>
3 Camelback Corridor	7,235,015	96	1,617,574	22.4%	23.4%	83,389	389,394	389,394	90,871	451,795	451,795	488,346	0	0	\$25.11
4 44th Street / East Phx	3,064,071	59	583,977	19.1%	19.1%	(11,055)	(19,001)	(19,001)	(11,055)	(13,017)	(13,017)	138,158	0	0	\$19.95
5 Central Phoenix	1,336,119	53	312,230	23.4%	23.4%	(31,798)	(14,554)	(14,554)	(31,798)	(11,589)	(11,589)	103,641	0	0	\$15.20
<b>North Phoenix</b>	<b>4,999,268</b>	<b>116</b>	<b>1,411,324</b>	<b>28.2%</b>	<b>28.5%</b>	<b>47,458</b>	<b>128,860</b>	<b>128,860</b>	<b>45,941</b>	<b>135,435</b>	<b>135,435</b>	<b>316,596</b>	<b>0</b>	<b>0</b>	<b>\$19.38</b>
6 Fiestewa Peak	2,978,728	72	848,319	28.5%	28.9%	32,827	36,346	36,346	31,310	36,792	36,792	201,666	0	0	\$18.56
7 North Phoenix	2,020,540	44	563,005	27.9%	27.9%	14,631	92,514	92,514	14,631	98,643	98,643	114,930	0	0	\$20.62
<b>Scottsdale</b>	<b>17,013,722</b>	<b>332</b>	<b>2,957,567</b>	<b>17.4%</b>	<b>19.2%</b>	<b>153,534</b>	<b>661,885</b>	<b>661,885</b>	<b>160,271</b>	<b>486,383</b>	<b>486,383</b>	<b>1,649,806</b>	<b>0</b>	<b>145,000</b>	<b>\$22.66</b>
8 Scottsdale Airpark	8,572,848	156	1,697,046	19.8%	20.0%	68,549	461,616	461,616	78,283	469,022	469,022	989,194	0	0	\$23.68
9 Scottsdale Ranches	4,739,031	98	787,881	16.6%	21.2%	24,796	118,482	118,482	29,524	(45,425)	(45,425)	437,783	0	0	\$21.12
10 South Scottsdale	3,701,843	78	472,640	12.8%	14.5%	60,189	81,787	81,787	52,464	62,786	62,786	222,829	0	145,000	\$21.56
<b>Southeast Valley</b>	<b>8,776,717</b>	<b>221</b>	<b>2,068,667</b>	<b>23.6%</b>	<b>24.1%</b>	<b>75,735</b>	<b>311,041</b>	<b>311,041</b>	<b>75,276</b>	<b>295,825</b>	<b>295,825</b>	<b>642,838</b>	<b>68,867</b>	<b>100,622</b>	<b>\$18.84</b>
11 South Tempe	1,814,672	46	537,806	29.6%	30.0%	53,166	171,620	171,620	53,166	168,287	168,287	216,767	0	0	\$17.92
12 Mesa	752,863	28	176,868	23.5%	23.5%	8,117	43,962	43,962	8,117	43,962	43,962	26,075	0	0	\$16.08
20 Superstition Corridor	2,373,711	59	690,231	29.1%	29.7%	49,350	37,894	37,894	49,350	23,666	23,666	180,901	0	0	\$17.42
13 Chandler / Gilbert	3,835,471	88	663,762	17.3%	17.8%	(34,898)	57,565	57,565	(35,357)	59,910	59,910	219,095	68,867	100,622	\$21.81
<b>Northwest Valley</b>	<b>11,079,299</b>	<b>226</b>	<b>2,753,460</b>	<b>24.9%</b>	<b>25.3%</b>	<b>292,744</b>	<b>402,307</b>	<b>402,307</b>	<b>291,070</b>	<b>428,103</b>	<b>428,103</b>	<b>845,316</b>	<b>0</b>	<b>0</b>	<b>\$18.32</b>
14 West County	1,073,586	40	183,817	17.1%	18.5%	8,403	25,639	25,639	(904)	16,332	16,332	53,988	0	0	\$20.40
15 Metrocenter	3,791,493	66	1,076,295	28.4%	28.7%	98,483	104,560	104,560	97,763	104,013	104,013	388,076	0	0	\$16.82
16 Black Canyon Corridor	845,803	25	230,269	27.2%	27.2%	(8,336)	(17,737)	(17,737)	(8,336)	(17,737)	(17,737)	22,764	0	0	\$13.29
17 Deer Valley Corridor	3,171,072	46	461,594	14.6%	15.3%	136,402	165,653	165,653	144,755	195,634	195,634	240,042	0	0	\$19.87
19 Arrowhead	857,438	28	260,950	30.4%	30.4%	28,699	19,589	19,589	28,699	27,258	27,258	41,908	0	0	\$20.11
31 Glendale	1,339,907	21	540,535	40.3%	40.5%	29,093	104,603	104,603	29,093	102,603	102,603	98,538	0	0	\$20.55
<b>Airport Area</b>	<b>8,726,063</b>	<b>128</b>	<b>1,086,362</b>	<b>12.4%</b>	<b>13.5%</b>	<b>87,043</b>	<b>236,941</b>	<b>236,941</b>	<b>143,228</b>	<b>282,309</b>	<b>282,309</b>	<b>532,363</b>	<b>139,403</b>	<b>0</b>	<b>\$19.38</b>
32 South Airport	2,161,277	28	636,527	29.5%	29.5%	(2,644)	23,255	23,255	(2,644)	21,466	21,466	29,142	139,403	0	\$19.00
18 North Tempe	6,564,786	100	449,835	6.9%	8.2%	89,687	213,686	213,686	145,872	260,843	260,843	503,221	0	0	\$19.92
<b>PHOENIX SUBURBS</b>	<b>62,230,274</b>	<b>1,231</b>	<b>12,791,161</b>	<b>20.6%</b>	<b>21.5%</b>	<b>697,050</b>	<b>2,096,873</b>	<b>2,096,873</b>	<b>763,804</b>	<b>2,055,244</b>	<b>2,055,244</b>	<b>4,717,064</b>	<b>208,270</b>	<b>245,622</b>	<b>\$20.49</b>
<b>TOTAL</b>	<b>78,676,623</b>	<b>1,354</b>	<b>16,361,552</b>	<b>20.8%</b>	<b>21.7%</b>	<b>740,213</b>	<b>1,955,355</b>	<b>1,955,355</b>	<b>819,561</b>	<b>1,973,457</b>	<b>1,973,457</b>	<b>5,125,117</b>	<b>208,270</b>	<b>400,622</b>	<b>\$20.60</b>