Colliers

Phoenix, AZ

Office 22Q1

Key Takeaways

- Speculative development breaks ground
- Rental rates increased 2.5 percent Y-o-Y to $28.12/SF
- Highest number of sublease deals signed since the pandemic

		YOY	FORECAST
Vacancy Rate	14.10%	=	▲
Net Absorption	-143K SF	▲	▲
Under Construction	1.82M SF	▼	▼
Overall Asking Lease Rates (FSG)	$28.12/SF	▲	▲

Q1 2022

As the activity in the Office market increases, so have rental rates, increasing 2.5% Y-o-Y ending at $28.18 PSF. Despite strong leasing activity in the first quarter, the market was faced with several large move-outs which resulted in -143,579 SF of net absorption. The number of sublease deals signed over 10,000 SF was also up this quarter, nearly tripling the amount signed Y-o-Y. Investment sales first quarter were heavily driven by activity in the month of March, which escalated sales to reach $893 million in first three months.

Market Indicators

3.20% Unemployment Rate (Jan-22)

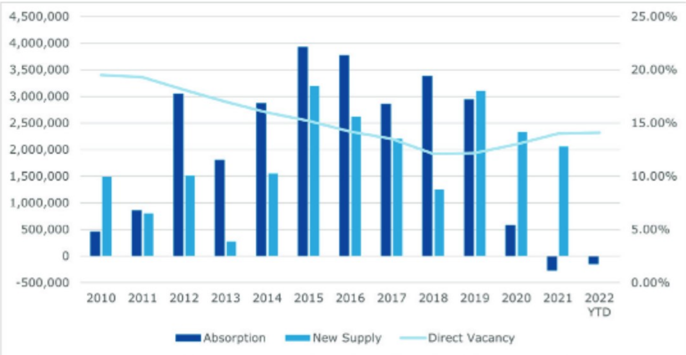
5.14% GDP - Quarterly % change yr/yr

2.398% U.S. 10 Year Treasury Note

Historic Comparison

	21 Q1	21 Q4	22 Q1
Total Inventory (in Thousands of SF)	164,250	164,861	164,861
New Supply (in Thousands of SF)	1,150	300	-
Net Absorption (in Thousands of SF)	(382)	378	(143)
Direct Vacancy	14.1%	14.0%	14.1%
Under Construction (in Thousands of SF)	1,886	1,820	1,819
Overall Asking Lease Rates	$27.43	$27.87	$28.12

Historical Absorption, Deliveries and Vacancy Rates



Lease Transactions

Carvana
4025 S Riverpoint Pkwy
Sublease / New
Airport Area | 268k SF

Carvana
1415 W 3rd St
Direct / New
Tempe | 82k SF

Confidential Tenant

24th at Camelback II
2325 E Camelback Rd
Direct / New
Camelback Corridor | 54k SF

Sale Transactions

Property Name/Property Address	Submarket	Sale Date	Sale Price	Size SF	Sale Price SF	Class
Esplanade I,II,IV,V	Camelback Corridor	3/14	$385,000,000	970,194	$397	A
The Johnathan & The Alexander	Chandler	3/28	$86,500,000	210,710	$411	A
17300 N Perimeter Dr	Scottsdale Airpark	1/5	$23,520,000	47,322	$497	A

Phoenix, AZ

Office

22Q1

Executive Summary

Q1 2022

The Phoenix office market continues to illustrate a strong recovery and growth. As of February 2022, Phoenix metro had grown its labor force by 89,600 employees compared to February 2021, which represents a 4.1 percent increase and office using jobs have increased 2.4 percent. Information supersector jobs have increased by 5.4 percent, Professional and Business Services supersector have increased by 3.2 percent, and Education and Health Services supersector jobs increased 2.87 percent over the same period.

The Milken Institute Best-Performing Cities 2021 report ranked Phoenix MSA #4 in the Tier 1 Large Cities category, moving up three spots from 2021. Phoenix' primary drivers are expansions of local high-tech industries and creation of additional high-wage jobs.

After a positive fourth quarter, the Greater Phoenix Office market ended the first quarter posting negative 143,579 square feet of net absorption. Direct vacancy has increased 10 bps quarter-over-quarter but remained flat compared to a year ago settling at 14.1 percent. Rental rates slightly increased in the first quarter by 2.5 percent year-over-year ending at $28.12 per square foot. After a slow down of new subleases becoming available in the previous quarter, over half a million square feet was introduced in the first quarter. However, the quarter also had the most amount of sublease deals transacted since the start of the pandemic. Investment sales first quarter were heavily driven by activity in the month of March, which escalated sales to reach $893 million in first three months, with a median price per square foot of $198. The market had construction of a new 150,000-square-foot speculative building start in Tempe, but there were zero deliveries in the first three months.

Outlook

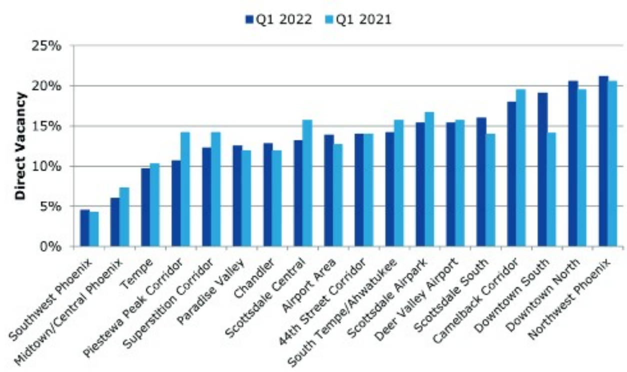
As more and more companies plan to return to the office, they are also reconfiguring what their office space will look like. As an incentive, we are seeing many companies offer a flexible work schedule allowing employees to work from home a couple of days a week. The Phoenix economy is in a healthy state and continues to attract new companies to expand and relocate. The tech company Sendoso is a perfect recent example of a company utilizing the strong labor market of Phoenix to relocate its headquarters out of San Francisco.

Speculative development that was forced to pause in 2020 will be re-evaluated in the short coming months and the market will once again see new construction break ground.

Vacancy

Phoenix Office direct vacancy increased 10 bps over-the-quarter, but remained at the same level year-over-year. Vacancy in Class A properties increased by 60 bps over-the-quarter and 240 bps year-over-year to 17.4 percent. Vacancy in Class B assets decreased by 20 bps to over-the-quarter and 70 bps year-over-year to 13.4 percent.

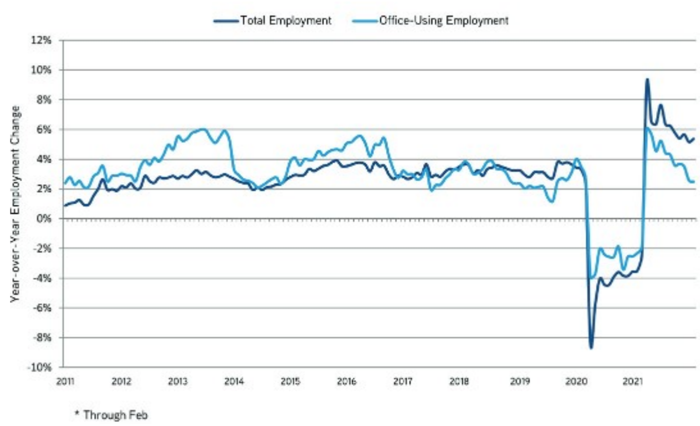
Sublease availability seemed to level out in the fourth quarter when the market had the lowest amount added in a quarter since the pandemic. But immediately in the first month of 2022, subleases packed the market. During January alone over 600,000 square feet of sublease space was added. By the end of the quarter the market increased sublease availability by 587,253 square feet from the previous quarter. Most of the sublease spaces added to the market were full-building, single-tenant spaces. Despite the vast increase of sublease availability, it still only represents 3.3 percent of the entire office inventory. Scottsdale South submarket had the largest increase of vacancy over-the-quarter increasing 270 bps, ending at 16.0 percent. However, because of the large move out of JPMorgan Chase from Downtown South in the third quarter of 2021, this submarket remains the highest increase in vacancy year-over-year, rising 500 bps and ending at 19.1 percent.



Absorption and Leasing

Despite strong leasing activity in the first quarter, the market was faced with several large move-outs which resulted in -143,579 square feet of net absorption. There were four buildings this quarter that faced a move out greater than 70,000 square feet. The largest single move-out of the quarter was Zelle, vacating 127,000 square feet at McDowell Mountain Business Park in Scottsdale Airpark submarket. Leasing activity had the best quarter yet since the start of the pandemic. Volume of new direct leases signed over 10,000 square feet in the first quarter was up 45 percent compared to the same time last year. The number of sublease deals signed over 10,000 square feet was also up this quarter, nearly tripling the amount signed year-over-year. The average size of sublease signed during first quarter was 14,650 square feet.

Online car company, Carvana, already had a large footprint in the valley, but this quarter it expanded even more and signed the two largest deals of the quarter. First, a sublease deal to occupy 267,962 square feet at the University's headquarter campus. Second was a direct deal at 1415 W 3rd Street, an 82,257-square-foot project in Tempe.



Rental Rates

As the activity in the Office market increases, so have rental rates. Overall asking rates ended the quarter at $28.12 per square foot, marking an increase of 2.5 percent year-over-year and 0.90 percent in the past three months. Rental rates in Class A product type have remained relatively level, showing a slight decrease over-the-quarter of 0.25 percent ending at $31.51. When focusing on new construction (built after 2015) in Class A properties, rental rates saw an increase of 1.02 percent year-over-year. However, Class B assets are witnessing a greater growth, increasing 1.04 percent over-the-quarter and 3.77 percent year-over-year ending at $25.32 per square foot.

Suburban submarkets are witnessing the largest rental rate increases. Arrowhead and Gateway Airport/Loop 202 submarkets ended the quarter with the largest year-over-year gains, increasing 8.2 and 7.9 percent ending at $28.28 and $32.84, respectively.

Construction

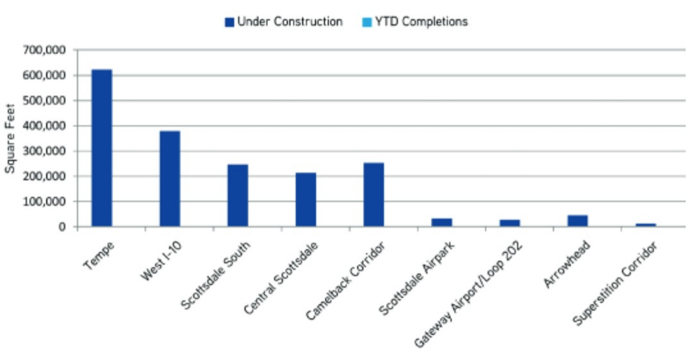
This was the first quarter in more than a decade, going back to 2010, that zero new Office product was delivered. This was reflective of the drastic slow down of speculative development that the pandemic forced. That being said, a new speculative development project broke ground this quarter in Tempe. Rio Yards, which is a Class A multiple-phase development, kicked off construction on Phase I, a 150,000-square-foot building.

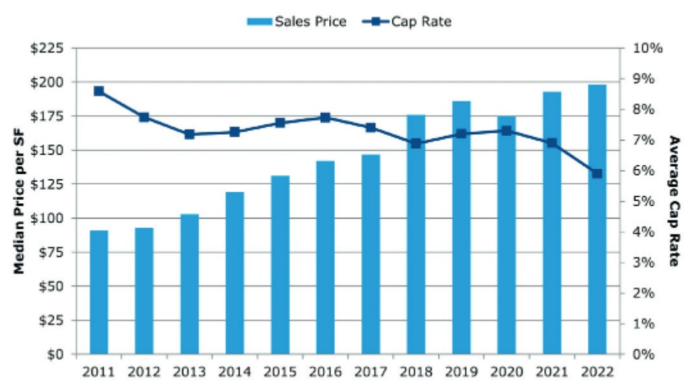
Currently there are 1.8 million square feet under construction throughout the valley. Of that, over 51 percent of the space is already committed. The Tempe submarket has the largest amount of construction currently underway at 620,526 square feet. That area is followed by West I-10 at 377,628 square feet, a submarket that recently has not delivered a lot of new inventory. West I-10 has had less than 600,000 square feet of construction delivered since 2010.There are two speculative developments underway which are over 80 percent pre-leased. 100 Mill in Tempe is expected to deliver in early second quarter and The Grove at 44th Street and Camelback is estimated to be completed near the end of third quarter.

Investment Trends

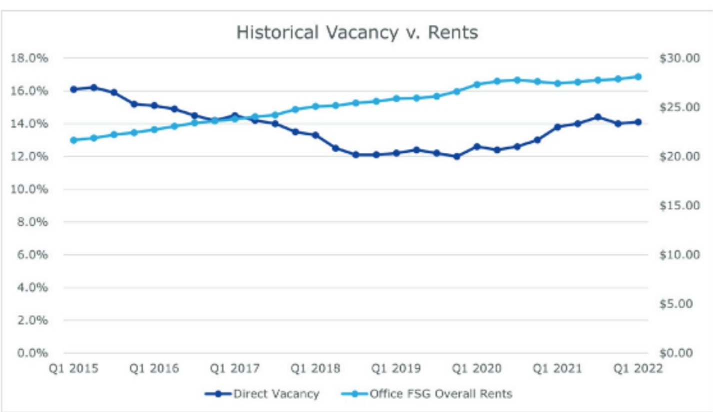
Investment sales during the first quarter started off at a slow pace. The first two months of the year only accounted for 36 percent of the total volume, but the month of March picked up drastically, bringing in over $567 million in sales and sending the total for the quarter to $893 million. Median price per square foot increased 2.25 percent over-the-quarter and 3.21 percent year-over-year to $198. When focusing on Class A investment sales, the median price per square foot increased 11.8 percent over-the-quarter to $359 per square foot.

Class A investment sales were driven by the sale of two multi-property transactions, which were both purchased by new to market investors. The Esplanade portfolio, on the corner of 24th Street and Camelback Road, consisted of four buildings totaling 970,194 square feet. These assets traded in March to Monarch Alternative Capital for $385 million, $390 per square foot. The properties were 85 percent leased at the time of the sale.
The second sale was George Oliver's second re-development disposition in less than 12 months. The Alexander and Johnathan buildings offered a combined total of 210,710 square feet and were purchased by Asana Partner for $86.5 million, $411 per square foot.





Vacancy vs. Rental Rate



Vacancy by Class

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Existing Properties		Direct Vacancy		Sublease Availability		Total Vacancy		Net Absorption - SF		New Supply - SF		Under Constr.	Average Rent
Building Class	Total Inventory SF	SF	Rate	SF	Rate	Q1-22 Availability	Q1-21 Direct Vacancy	Current Period	YTD	Current Period	YTD	SF	Rate (fs)
CENTRAL BUSINESS DISTRICT													
Downtown North													
A	5,217,254	1,089,990	20.9%	77,711	1.5%	22.4%	19.6%	(116,571)	(116,571)	-	-	-	$26.24
B	6,050,648	1,290,249	21.3%	49,068	0.8%	22.1%	20.1%	52,311	52,311	-	-	-	$23.10
C	865,270	121,535	14.0%	-	0.0%	14.0%	19.7%	14,665	14,665	-	-	-	$20.81
TOTAL	12,133,172	2,501,774	20.6%	126,779	1.0%	21.7%	19.5%	(49,595)	(49,595)	-	-	-	$24.43
Downtown South													
A	6,131,798	1,787,311	29.1%	116,080	1.9%	31.0%	18.1%	56,797	56,797	-	-	-	$32.17
B	3,878,875	333,827	8.6%	-	0.0%	8.6%	10.3%	14,440	14,440	-	-	-	$29.48
C	1,108,937	1,200	0.1%	-	0.0%	0.1%	5.7%	17,843	17,843	-	-	-	$21.22
TOTAL	11,119,610	2,122,338	19.1%	116,080	1.0%	20.1%	14.1%	89,080	89,080	-	-	-	$31.63
SUBURBAN													
44th St. Corridor													
A	1,634,089	295,748	18.1%	109,682	6.7%	24.8%	17.0%	(17,152)	(17,152)	-	-	-	$29.08
B	1,782,297	188,085	10.6%	101,652	5.7%	16.3%	10.5%	(5,352)	(5,352)	-	-	-	$24.64
C	321,869	37,806	11.7%	-	0.0%	11.7%	18.0%	1,971	1,971	-	-	-	$24.00
TOTAL	3,738,255	521,639	14.0%	211,334	5.7%	19.6%	14.0%	(20,533)	(20,533)	-	-	-	$27.03
Airport Area													
A	1,014,367	108,809	10.7%	72,098	7.1%	17.8%	11.7%	4,538	4,538	-	-	-	$25.19
B	5,835,507	881,121	15.1%	341,338	5.8%	20.9%	13.4%	(56,924)	(56,924)	-	-	-	$22.31
C	368,260	12,237	3.3%	81,815	22.2%	25.5%	3.8%	(2,235)	(2,235)	-	-	-	$15.98
TOTAL	7,218,134	1,002,167	13.9%	495,251	6.9%	20.7%	12.7%	(54,621)	(54,621)	-	-	-	$22.26
Arrowhead													
A	260,175	53,114	20.4%	-	0.0%	20.4%	20.8%	3,143	3,143	-	-	44,000	$34.10
B	2,686,713	297,977	11.1%	8,685	0.3%	11.4%	11.0%	(6,057)	(6,057)	-	-	-	$27.56
C	199,785	4,468	2.2%	-	0.0%	2.2%	17.5%	4,413	4,413	-	-	-	$20.86
TOTAL	3,146,673	355,559	11.3%	8,685	0.3%	11.6%	12.3%	1,499	1,499	-	-	44,000	$28.28
Camelback Corridor													
A	5,197,349	1,052,546	20.3%	117,880	2.3%	22.5%	20.3%	64,057	64,057	-	-	251,494	$37.45
B	3,011,269	475,328	15.8%	5,403	0.2%	16.0%	20.1%	14,735	14,735	-	-	-	$28.75
C	310,010	6,430	2.1%	-	0.0%	2.1%	3.7%	(259)	(259)	-	-	-	$21.53
TOTAL	8,518,628	1,534,304	18.0%	123,283	1.4%	19.5%	19.5%	78,533	78,533	-	-	251,494	$34.92
Chandler													
A	5,016,777	844,325	16.8%	483,853	9.6%	26.5%	13.5%	(11,682)	(11,682)	-	-	-	$30.48
B	5,962,633	560,187	9.4%	378,749	6.4%	15.7%	10.3%	(12,023)	(12,023)	-	-	-	$27.73
C	131,725	19,206	14.6%	-	0.0%	14.6%	22.1%	11	11	-	-	-	$17.61
TOTAL	11,111,135	1,423,718	12.8%	862,602	7.8%	20.6%	11.9%	(23,694)	(23,694)	-	-	-	$29.22
Deer Valley Airport													
A	4,629,034	488,190	10.5%	475,492	10.3%	20.8%	10.5%	(5,474)	(5,474)	-	-	-	$27.45
B	6,752,401	1,269,067	18.8%	331,417	4.9%	23.7%	19.5%	7,988	7,988	-	-	-	$25.31
C	111,969	9,511	8.5%	-	0.0%	8.5%	1.5%	3,507	3,507	-	-	-	$17.20
TOTAL	11,493,404	1,766,768	15.4%	806,909	7.0%	22.4%	15.7%	6,021	6,021	-	-	-	$26.07

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Existing Properties		Direct Vacancy		Sublease Availability		Total Vacancy		Net Absorption - SF		New Supply - SF		Under Constr.	Average Rent
Building Class	Total Inventory SF	SF	Rate	SF	Rate	Q1-22 Availability	Q1-21 Direct Vacancy	Current Period	YTD	Current Period	YTD	SF	Rate (fs)
SUBURBAN													
Gateway Airport/Loop 202													
A	208,734	57,203	27.4%	-	0.0%	27.4%	39.4%	(6,483)	(6,483)	-	-	-	$32.93
B	1,366,571	81,943	6.0%	4,750	0.3%	6.3%	7.1%	(4,017)	(4,017)	-	-	26,358	$32.79
C	33,232	-	0.0%	-	0.0%	0.0%	0.0%	0	0	-	-	-	$16.80
TOTAL	1,608,537	139,146	8.7%	4,750	0.3%	8.9%	11.2%	(10,500)	(10,500)	-	-	26,358	$32.84
Glendale													
A	725,818	111,900	15.4%	-	0.0%	15.4%	21.1%	(15,753)	(15,753)	-	-	-	$27.95
B	1,800,412	211,924	11.8%	4,937	0.3%	12.0%	14.7%	15,612	15,612	-	-	-	$28.24
C	409,696	53,408	13.0%	-	0.0%	13.0%	9.5%	0	0	-	-	-	$19.18
TOTAL	2,935,926	377,232	12.8%	4,937	0.2%	13.0%	15.5%	(141)	(141)	-	-	-	$27.57
Loop 303/Surprise													
A	529,525	1,750	0.3%	-	0.0%	0.3%	1.9%	(125)	(125)	-	-	-	$24.00
B	1,366,362	118,960	8.7%	11,200	0.8%	9.5%	9.1%	(10,918)	(10,918)	-	-	-	$28.57
C	66,110	-	0.0%	-	0.0%	0.0%	0.0%	11,554	11,554	-	-	-	$29.27
TOTAL	1,961,997	120,710	6.2%	11,200	0.6%	6.7%	7.5%	511	511	-	-	-	$28.55
Mesa Downtown													
A	-	-	0.0%	-	0.0%	0.0%	0.0%	0	0	-	-	-	$-
B	755,968	44,593	5.9%	-	0.0%	5.9%	8.7%	16,279	16,279	-	-	-	$22.88
C	232,516	36,804	15.8%	-	0.0%	15.8%	13.6%	(676)	(676)	-	-	-	$17.49
TOTAL	988,484	81,397	8.2%	-	0.0%	8.2%	9.9%	15,603	15,603	-	-	-	$22.36
Mesa East													
A	673,589	266,390	39.5%	60,134	8.9%	48.5%	17.6%	0	0	-	-	-	$37.27
B	1,981,199	58,749	3.0%	26,358	1.3%	4.3%	5.0%	(795)	(795)	-	-	-	$24.00
C	643,578	40,945	6.4%	-	0.0%	6.4%	8.0%	8,094	8,094	-	-	-	$15.96
TOTAL	3,298,366	366,084	11.1%	86,492	0.0%	13.7%	8.1%	7,299	7,299	-	-	-	$32.80
Midtown/Central Phoenix													
A	-	-	0.0%	-	0.0%	0.0%	0.0%	0	0	-	-	-	$-
B	2,853,936	242,692	8.5%	52,369	1.8%	10.3%	9.5%	3,342	3,342	-	-	-	$23.83
C	1,840,470	40,437	2.2%	-	0.0%	2.2%	4.0%	434	434	-	-	-	$19.40
TOTAL	4,694,406	283,129	6.0%	52,369	1.1%	7.1%	7.3%	3,776	3,776	-	-	-	$23.31
Northwest Phoenix													
A	1,111,326	395,104	35.6%	105,561	9.5%	45.1%	23.7%	4,877	4,877	-	-	-	$23.89
B	5,585,955	1,265,188	22.6%	28,044	0.5%	23.2%	24.6%	23,767	23,767	-	-	-	$20.87
C	2,154,660	216,091	10.0%	1,479	0.1%	10.1%	8.6%	1,955	1,955	-	-	-	$18.33
TOTAL	8,851,941	1,876,383	21.2%	135,084	1.5%	22.7%	20.6%	30,599	30,599	-	-	-	$21.57
Paradise Valley													
A	1,740,024	272,078	15.6%	14,870	0.9%	16.5%	9.8%	(19,642)	(19,642)	-	-	-	$29.67
B	2,025,572	196,083	9.7%	16,456	0.8%	10.5%	13.1%	22,587	22,587	-	-	-	$27.01
C	292,341	37,422	12.8%	-	0.0%	12.8%	15.9%	1,098	1,098	-	-	-	$21.69
TOTAL	4,057,937	505,583	12.5%	31,326	0.8%	13.2%	11.9%	4,043	4,043	-	-	-	$28.63

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Building Class	Total Inventory SF	SF	Rate	SF	Rate	Q1-22 Availability	Q1-21 Direct Vacancy	Current Period	YTD	Current Period	YTD	SF	Rate (fs)
SUBURBAN													
Piestewa Peak Corridor													
A	412,800	38,575	9.3%	8,723	2.1%	11.5%	10.4%	0	0	-	-	-	$28.61
B	2,215,540	261,837	11.8%	35,542	1.6%	13.4%	16.1%	46,912	46,912	-	-	-	$23.93
C	258,398	9,161	3.5%	-	0.0%	3.5%	3.7%	11,247	11,247	-	-	-	$18.66
TOTAL	2,886,738	309,573	10.7%	44,265	1.5%	12.3%	14.2%	58,159	58,159	-	-	-	$24.31
Scottsdale Airpark													
A	7,345,497	1,397,925	19.0%	342,345	4.7%	23.7%	20.1%	(106,451)	(106,451)	-	-	-	$32.41
B	5,669,153	631,097	11.1%	290,615	5.1%	16.3%	12.5%	47,211	47,211	-	-	32,054	$27.60
C	173,412	1,600	0.9%	-	0.0%	0.9%	6.6%	0	0	-	-	-	$24.03
TOTAL	13,188,062	2,030,622	15.4%	632,960	4.8%	20.2%	16.7%	(59,240)	(59,240)	-	-	32,054	$30.57
Scottsdale Central													
A	2,592,998	434,438	16.8%	203,040	7.8%	24.6%	19.9%	(31,452)	(31,452)	-	-	212,000	$28.48
B	5,061,196	618,863	12.2%	58,379	1.2%	13.4%	13.9%	(18,411)	(18,411)	-	-	-	$28.32
C	310,010	-	0.0%	-	0.0%	0.0%	2.3%	(259)	(259)	-	-	-	$21.53
TOTAL	7,964,204	1,053,301	13.2%	261,419	3.3%	16.5%	15.7%	(50,122)	(50,122)	-	-	212,000	$28.38
Scottsdale South													
A	2,682,377	410,198	15.3%	85,733	3.2%	18.5%	12.1%	(154,570)	(154,570)	-	-	244,998	$36.52
B	3,051,762	532,426	17.4%	85,212	2.8%	20.2%	15.6%	(5,806)	(5,806)	-	-	-	$32.38
C	532,104	57,892	10.9%	-	0.0%	10.9%	14.3%	(7,606)	(7,606)	-	-	-	$29.01
TOTAL	6,266,243	1,000,516	16.0%	170,945	2.7%	18.7%	14.0%	(167,982)	(167,982)	-	-	244,998	$34.11
South Tempe/Ahwatukee													
A	1,034,794	198,948	19.2%	-	0.0%	19.2%	19.7%	(5,657)	(5,657)	-	-	-	$32.36
B	5,701,884	805,611	14.1%	345,251	6.1%	20.2%	15.8%	(56,882)	(56,882)	-	-	-	$24.59
C	344,560	-	0.0%	-	0.0%	0.0%	0.0%	10,904	10,904	-	-	-	-
TOTAL	7,081,238	1,004,559	14.2%	345,251	4.9%	19.1%	15.7%	(51,635)	(51,635)	-	-	-	$26.22
Southwest Phoenix													
A	749,125	171,930	23.0%	-	0.0%	23.0%	17.2%	(24,951)	(24,951)	-	-	-	$28.00
B	1,724,454	33,124	1.9%	-	0.0%	1.9%	3.1%	9,074	9,074	-	-	-	$26.59
C	2,048,715	-	0.0%	-	0.0%	0.0%	0.6%	0	0	-	-	-	$17.36
TOTAL	4,522,294	205,054	4.5%	-	0.0%	4.5%	4.3%	(15,877)	(15,877)	-	-	-	$27.21
Superstition Corridor													
A	637,240	78,013	12.2%	-	0.0%	12.2%	16.2%	4,494	4,494	-	-	-	$28.40
B	4,357,375	582,805	13.4%	16,438	0.4%	13.8%	14.7%	21,039	21,039	-	-	10,791	$23.87
C	515,180	16,017	3.1%	1,876	0.4%	3.5%	7.8%	14,578	14,578	-	-	-	$16.37
TOTAL	5,509,795	676,835	12.3%	18,314	0.3%	12.6%	14.2%	40,111	40,111	-	-	10,791	$24.34
Tempe													
A	8,841,276	606,061	6.9%	505,650	5.7%	12.6%	5.9%	(32,117)	(32,117)	-	-	620,526	$37.31
B	7,452,683	1,085,703	14.6%	442,393	5.9%	20.5%	16.8%	82,108	82,108	-	-	-	$23.82
C	1,396,796	21,465	1.5%	-	0.0%	1.5%	3.1%	(1,209)	(1,209)	-	-	-	$17.97
TOTAL	17,690,755	1,713,229	9.7%	948,043	5.4%	15.0%	10.3%	48,782	48,782	-	-	620,526	$30.01

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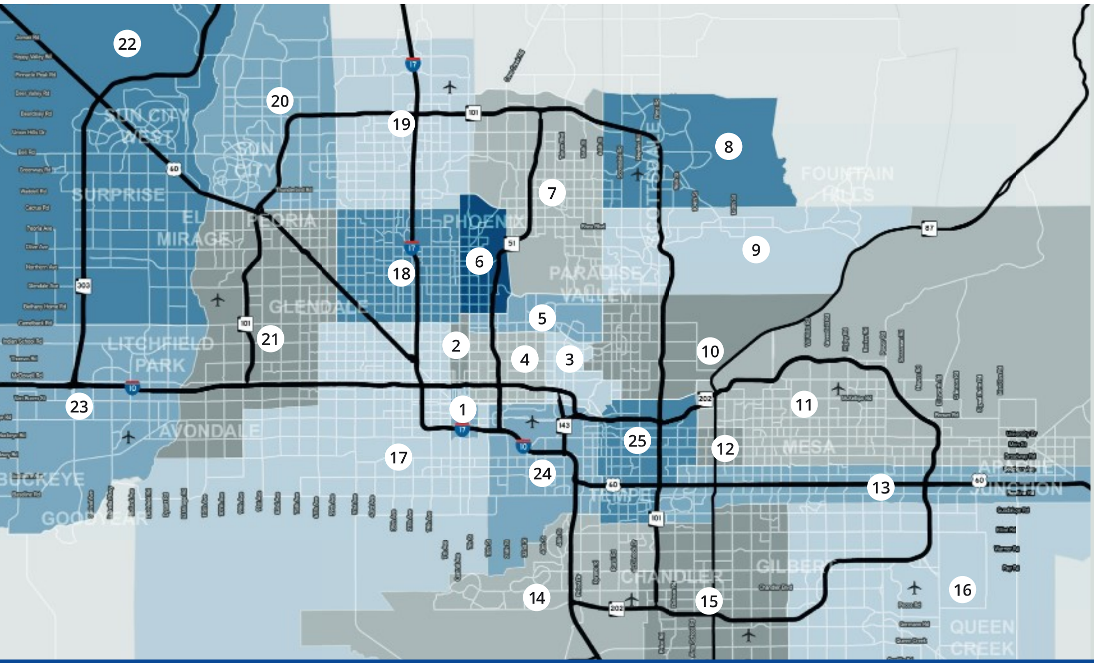
Phoenix | Q1 2022 | Office | Market Statistics

Existing Properties		Direct Vacancy		Sublease Availability		Total Vacancy		Net Absorption - SF		New Supply - SF		Under Constr.	Average Rent
Building Class	Total Inventory SF	SF	Rate	SF	Rate	Q1-22 Availability	Q1-21 Direct Vacancy	Current Period	YTD	Current Period	YTD	SF	Rate (fs)
SUBURBAN													
West I-10													
A	144,407	13,710	9.5%	5,473	9.5%	13.3%	10.1%	(5,003)	(5,003)	-	-	273,628	$33.68
B	1,803,020	118,188	6.6%	-	0.0%	6.6%	8.9%	(18,652)	(18,652)	-	-	104,000	$27.90
C	148,696	3,377	2.3%	-	0.0%	2.3%	1.7%	0	0	-	-	-	$21.86
TOTAL	2,096,123	135,275	6.5%	5,473	0.3%	6.7%	7.9%	(23,655)	(23,655)	-	-	377,628	$30.52
Grand Total													
A	58,530,373	10,174,256	17.4%	2,784,325	4.8%	22.1%	15.0%	(415,177)	(415,177)	0	0	1,646,646	$31.51
B	90,733,385	12,185,627	13.4%	2,634,256	2.9%	16.3%	14.1%	181,568	181,568	0	0	173,203	$25.32
C	14,818,299	747,012	5.0%	85,170	0.6%	5.6%	7.3%	90,030	90,030	0	0	0	$19.96
TOTAL	164,082,057	23,106,895	14.1%	5,503,751	3.4%	17.4%	14.1%	(143,579)	(143,579)	-	-	1,819,849	$28.12

Quarterly Comparisons and Totals

22 Q1	164,082,057	23,106,895	14.1%	5,503,751	3.4%	17.4%	14.1%	(143,579)	(143,579)	0	0	1,819,849	$28.12
21 Q4	164,861,237	23,001,758	14.0%	4,916,498	3.0%	16.9%	12.8%	378,574	(266,366)	300,000	2,061,467	1,820,040	$27.87
21 Q3	164,665,915	23,670,435	14.4%	4,748,614	2.9%	17.3%	12.8%	(338,887)	(644,940)	228,934	1,761,467	1,894,795	$27.76
21 Q2	164,386,355	23,355,323	14.2%	4,529,405	2.8%	17.0%	12.6%	76,690	(306,053)	381,499	1,531,732	2,010,918	$27.58
21 Q1	164,250,213	23,185,629	14.1%	4,071,603	2.5%	16.6%	12.8%	(382,743)	(382,743)	1,150,233	1,150,233	1,886,389	$27.43

*Sublease availability is all sublease space being marketed whether vacant or occupied.



1. Downtown South
2. Downtown North
3. 44th St. Corridor
4. Midtown/Central Phoenix
5. Camelback Corridor
6. Piestewa Peak Corridor
7. Paradise Valley
8. Scottsdale AirPark
9. Central Scottsdale
10. Scottsdale South
11. Mesa East
12. Mesa Downtown
13. Superstition Corridor
14. South Tempe/ Ahwatukee
15. Chandler
16. Gateway Airport/Loop 202
17. Southwest Phoenix
18. Northwest Phoenix
19. Deer Valley/ Airport
20. Arrowhead
21. Glendale
22. Loop 303/ Surprise
23. West 1-10
24. Airport Area
25. Tempe

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351 offices in 67 countries on 6 continents

United States: 115
Canada: 41
Latin America: 12
Asia Pacific: 33
EMEA: 78

$3.3B
in revenue

2B
square feet under management

18,000 +
professionals and staff

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Colliers (NASDAQ, TSX: CIGI) is a leading diversified professional services and investment management company. With operations in 67 countries, our more than 15,000 enterprising professionals work collaboratively to provide expert advice to real estate occupiers, owners and investors. For more than 25 years, our experienced leadership with significant insider ownership has delivered compound annual investment returns of almost 20% for shareholders. With annualized revenues of $3.0 billion ($3.3 billion including affiliates) and $40 billion of assets under management, we maximize the potential of property and accelerate the success of our clients and our people. Learn more at corporate.colliers.com, Twitter @Colliers or LinkedIn.

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