



Phoenix, AZ

Office 24Q1

Key Takeaways

- The amount of tenant move outs outpaced leasing activity, ending the quarter at -572,754 SF of net absorption.
- Rental rates continue to move at a healthy pace, increasing 2.6 percent Y-o-Y ending at \$29.87 PSF.
- Total available space increased to 19.9%, 150 bps increase Y-o-Y.



Q1 2024

A handful of large move outs left the market at -572,754 square feet of net absorption in the first quarter. New direct leasing activity totaled 438,250 square feet. Direct vacancy ticked up 20 bps quarter-over-quarter ending the year at 15.1 percent, with total vacancy ending at 19.9 percent. Rental rates continue to move in a positive direction, with overall rental rates ending at \$29.87 per square foot, marking a 2.6 percent increase year-over-year. First quarter investment sales volume declined significantly, ending at \$189 million. This constitutes a 29.6 percent decrease quarter-over-quarter and 15.2 percent decrease year-over-year.

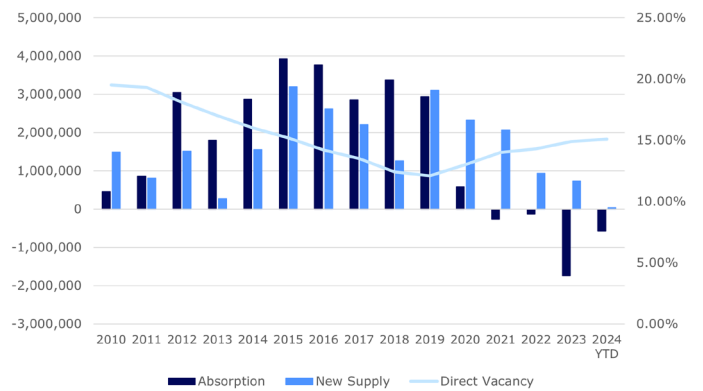
Market Indicators



Historic Comparison

	23 Q1	23 Q4	24 Q1
Total Inventory (in Thousands of SF)	163,992	164,257	164,568
New Supply (in Thousands of SF)	149	150	39
Net Absorption (in Thousands of SF)	(459)	(177)	(572)
Direct Vacancy	14.0%	14.9%	15.1%
Under Construction (in Thousands of SF)	885	757	711
Overall Asking Lease Rates	\$29.10	\$29.66	\$29.87

Historical Absorption, Deliveries and Vacancy Rates



Lease Transactions



Republic Services
City North
5353 E City North Dr
B-T-S
Paradise Valley | 250k SF



Pulte Home
Axis Raintree
8605 E Raintree Dr
Direct / New
Scottsdale Airport | 150k SF



Verigon
Foothills Corporate Center
14415 S 50th St
Direct / New
S. Tempe/Ahwatukee | 41k SF

Sale Transactions

Property Name/Property Address	Submarket	Sale Date	Sale Price	Size SF	Sale Price SF	Class
The Corridors/1925 W Pinnacle Peak Rd (4 bldgs)	Deer Valley/Airport	1/2	\$32,925,000	164,235	\$200	B
McDowell Mountain Medical/9377 E Bell Rd	Scottsdale Airport	3/27	\$21,250,000	84,725	\$251	A
Broadway Business Park/3945 E Broadway (2 bldgs)	Airport Area	2/1	\$17,450,000	136,998	\$127	B



Executive Summary

Q1 2024

The Phoenix MSA continues to see healthy population growth. According to U.S. Census Bureau 2023 population estimates data, Phoenix Metro added nearly 50,000 new residents in 2023, ranking 8th for metro area with largest gain in population from 2022 to 2023. Phoenix was the only metro area outside of the south region to land on the top 10 lists in both 2022 and 2023. As of February 2024, Phoenix metro had expanded its labor force by 52,700 employees compared to February 2023, which represents a 2.2 percent increase. Professional and Business Services supersector jobs increased by 0.46 percent, however the Information supersector jobs decreased 4.9, and Financial Activities decreased by 0.75 percent during the same period.

The office market experienced very healthy leasing activity in the first quarter, but once again the sector could not keep up with a handful of large move outs, leaving the market at -572,754 square feet of net absorption. New direct leasing activity totaled 438,250 square feet. Direct vacancy ticked up 20 bps quarter-over-quarter ending the year at 15.1 percent, with total vacancy ending at 19.9 percent. Rental rates continue to move in a positive direction, with overall rental rates ending at \$29.87 per square foot, marking a 2.6 percent increase year-over-year.

Construction remains at a compressed level, with only 711,673 square foot being developed in the market. Three buildings make up more than 50 percent of total construction. One small, 40,000-square-foot building broke ground in the first quarter. First quarter investment sales volume declined significantly, ending at \$189 million. This constitutes a 29.6 percent decrease quarter-over-quarter and 15.2 percent decrease year-over-year.

Outlook

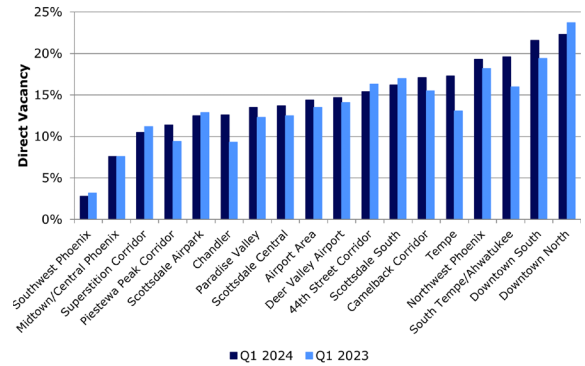
The spread between the amount of office space being leased and the volume of space being handed back continues to expand. The hybrid work model is a movement that does not seem to be going anywhere anytime soon. This factor continues adding stress to assets that have a retail or service tenant in the complex, which are highly dependent on occupancy.

A question surrounding the industry is, "If buildings continue to trade at a lower price point, will this ultimately lead to rental rates decreasing?" Many assets that are trading require a heavy capital investment to bring the building back to competitive levels. This will require for rates to hold or increase, since the amount of capital needed will require the current or higher rental rate to achieve the yield needed for investment committees.

Vacancy

Direct vacancy rose for the fourth consecutive quarter to 15.1 percent, marking an increase of 20 bps quarter-over-quarter and an increase of 110 bps year-over-year. Total available space rose 150 bps year-over-year ending at 19.9 percent. After a slowdown of sublease space hitting the market the past three quarters, the first quarter added 461,109 square feet. New sublease availability includes two spaces over 100,000 square feet and 18 new spaces between 10,000 – 100,000 square feet, with an average size of 29,469 square feet. The largest space added was Freeport McMoran in Downtown, putting up 246,490 square feet. There are currently four submarkets with more than 750,000 square feet of sublease space, Tempe, Chandler, Airport Area and Deer Valley (in descending order).

Downtown North, Scottsdale South, and Scottsdale Airpark had the largest year-over-year decreases in vacancy at the end of the first quarter. Tempe, South Tempe/Ahwatukee and Chandler finished the quarter with the largest year-over-year vacancy increases.

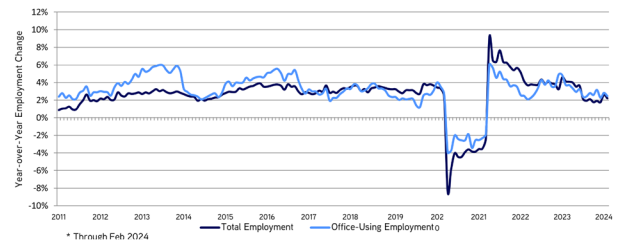


Absorption and Leasing

Utilization of office space continues to evolve, and hybrid work schedules are increasingly more common in a growing variety of industries and companies. This trend resulted in the average new direct deal size in the first quarter dropping 23 percent year-over-year to 4,048 square feet. Leasing activity remains active, but the ratio of tenants expanding compared to tenants shrinking their footprint is very lopsided. This created another quarter of negative net absorption, with first quarter ending at -572,754 square feet. Five companies that downsized or terminated operations during first quarter accounted for 491,623 square feet of new vacant space.

In June of 2023 Republic Services announced a relocation to its new corporate headquarters at City North in North Phoenix. In early February the land was purchased for a build-to-suit and lease agreement for a 250,000-square-foot building.

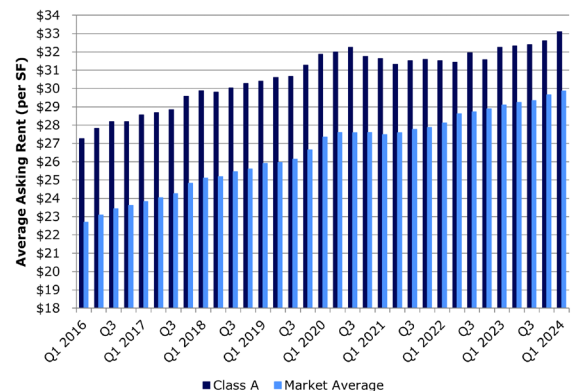
The largest new direct lease signed was home builder Pulte Homes agreeing to relocate from Terra Verde to Axis Raintree, both buildings being located in the Scottsdale Airpark submarket. The tenant will minimally downsize by 7,000 square feet, and agreed to lease 49,875 square feet on an eight-year lease.



Rental Rates

Despite the rise in vacancy rates, rental rates continue moving in a positive direction. Overall rental rates increased by 0.7 percent quarter-over-quarter and 2.6 percent year-over-year ending the quarter at \$29.87. Class A assets posted the largest increase year-over-year, jumping up 2.9 percent and ending at \$33.10 per square foot. This is driven by the intense increase of building amenities, primarily focused in the three Scottsdale submarkets, Camelback Corridor, Tempe and Chandler. There were three submarkets that posted an increase greater than five percent in Class A assets; Scottsdale Central, Scottsdale South, and Tempe, increasing 6.06, 5.26, and 5.20, respectively. Maintaining the highest rental rates in the market for the third consecutive quarter, were Class A assets in Camelback Corridor. Rates in this submarket ended the quarter at \$41.10 per square foot, marking an increase of 4.2 percent year-over-year.

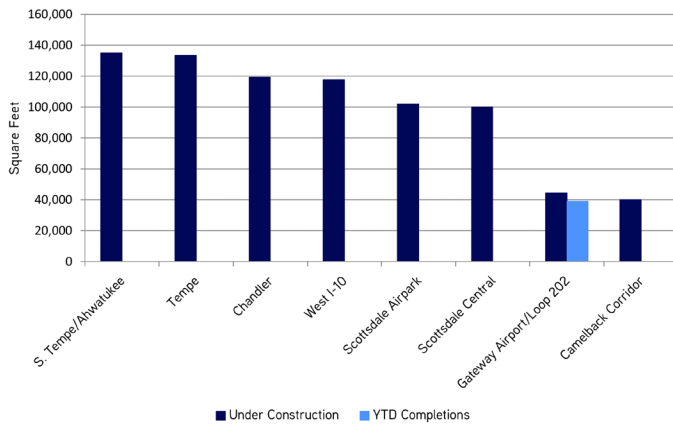
There was not a single submarket that finished the quarter with a decrease in both quarter-over-quarter and year-over-year rental rates in the three class types. The Superstition Corridor submarket was the only submarket to have a decrease of rental rates in all three classes year-over-year.



Construction

The first quarter posted the second lowest amount of construction going back to 2014, ending the quarter at 711,673 square feet, behind Q4 2022. The only building to break ground during first quarter was the third office building in The Grove project. The 40,000-square-foot facility is being developed by 3Edgewood, an investment real estate company being funded by former Phoenix Sun's owner Robert Sarver.

In 2022 Viasat made a public announcement about expanding its footprint in Tempe at ASU Research Park and in 2023 the 135,000-square-foot building broke ground. Unfortunately, Viasat will not be taking possession of the new building, making the space available for sublease when it is completed in the third quarter of this year. This marks the second company to abandon its office commitment of new office construction during the past 12 months. Carvana's 243,301 square feet of new construction in Tempe is also 100 percent available for lease. These two projects under construction make up nearly 40 percent of the total amount of construction in the market.

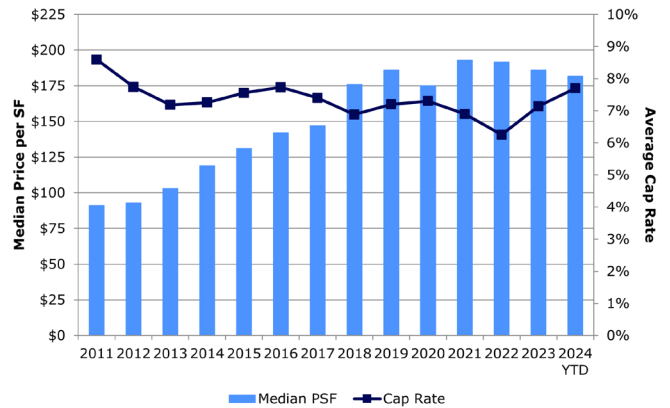


Investment Trends

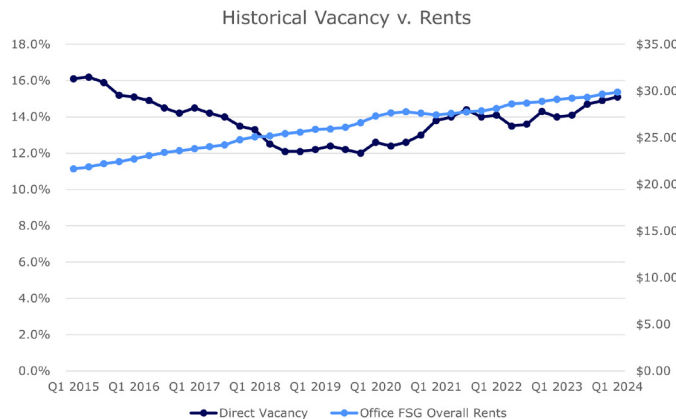
Investment sales volume during the first quarter totaled \$189 million, posting the second lowest quarter in the past two years. This marks a 15.4 percent decrease year-over-year, and a 29.6 percent decrease quarter-over-quarter. Average price per square foot ended the quarter at \$181.78, which was a 26.3 percent decrease year-over-year.

The top sale of the quarter was a four-building complex in Deer Valley submarket known as The Corridors, which traded early in the year for \$32.9 million. The Voit Company acquired the 100 percent leased complex that totals 164,235 square feet. The highest price per square foot sale of the quarter was a 30,417-square-foot medical building in Mesa that traded for \$15.4 million, \$506.30 per square foot. The sale included an additional 1.04 acres of land and is fully leased to Cardiovascular Associates of Mesa. The seller, Cypress West Realty Management, purchased the building in 2023 for only \$3.08 million, quickly injecting capital and fully leasing the building.

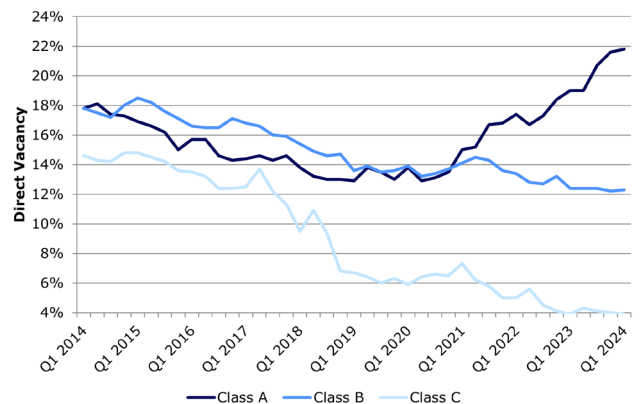
Currently a few notable Class A assets in the market are expected to trade this year, including The Beam on Farmer in Tempe and 24th and Camelback in the Camelback Corridor.



Vacancy vs. Rental Rate



Vacancy by Class





Existing Properties Building Class	Direct Vacancy		Sublease Availability		Total Vacancy		Net Absorption - SF		New Supply - SF		Under Constr.	Average Rent	
	Total Inventory SF	Rate	SF	Rate	Q1-24 Availability	Q1-23 Direct Vacancy	Current Period	YTD	Current Period	YTD	SF	Rate (fs)	
CENTRAL BUSINESS DISTRICT													
Downtown North													
A	5,090,501	1,551,168	30.5%	61,557	1.2%	31.7%	23.3%	(59,785)	(59,785)	-	-	-	\$27.85
B	6,472,517	1,158,756	17.9%	24,561	0.4%	18.3%	19.4%	40,355	40,355	-	-	-	\$22.81
C	899,262	64,524	7.2%	-	0.0%	7.2%	9.3%	19,318	19,318	-	-	-	\$22.20
TOTAL	12,462,280	2,774,448	22.3%	86,118	0.7%	23.0%	20.3%	(112)	(112)	-	-	-	\$25.94
Downtown South													
A	6,044,010	2,084,008	34.5%	354,216	5.9%	40.3%	31.4%	(41,104)	(41,104)	-	-	-	\$32.35
B	3,440,504	207,868	6.0%	27,938	0.8%	6.9%	6.7%	(1,853)	(1,853)	-	-	-	\$27.99
C	1,140,569	1,200	0.1%	-	0.0%	0.1%	0.1%	0	0	-	-	-	\$21.05
TOTAL	10,625,083	2,293,076	21.6%	382,154	3.6%	25.2%	20.1%	(42,957)	(42,957)	-	-	-	\$31.74
SUBURBAN													
44th St. Corridor													
A	1,876,717	372,813	19.9%	154,166	8.2%	28.1%	16.5%	(37,685)	(37,685)	-	-	-	\$28.17
B	1,703,749	207,270	12.2%	26,926	1.6%	13.7%	15.5%	(7,686)	(7,686)	-	-	-	\$25.94
C	293,061	17,380	5.9%	-	0.0%	5.9%	5.3%	(782)	(782)	-	-	-	\$21.40
TOTAL	3,873,527	597,463	15.4%	181,092	4.7%	20.1%	15.2%	(46,153)	(46,153)	-	-	-	\$27.73
Airport Area													
A	1,069,460	247,212	23.1%	331,458	31.0%	54.1%	9.3%	(120,151)	(120,151)	-	-	-	\$25.24
B	4,883,542	659,182	13.5%	490,868	10.1%	23.5%	16.3%	(28,375)	(28,375)	-	-	-	\$23.70
C	408,906	8,344	2.0%	-	0.0%	2.0%	7.1%	843	843	-	-	-	\$13.95
TOTAL	6,361,908	914,738	14.4%	822,326	12.9%	27.3%	14.5%	(147,683)	(147,683)	-	-	-	\$23.13
Arrowhead													
A	333,147	36,738	11.0%	-	0.0%	11.0%	20.7%	1,400	1,400	-	-	-	\$35.95
B	2,836,378	190,604	6.7%	61,667	2.2%	8.9%	8.3%	30,759	30,759	-	-	-	\$29.08
C	238,813	31,071	13.0%	1,247	0.5%	13.5%	10.4%	(11,319)	(11,319)	-	-	-	\$22.39
TOTAL	3,408,338	258,413	7.6%	62,914	1.8%	9.4%	9.7%	20,840	20,840	-	-	-	\$30.31
Camelback Corridor													
A	6,278,798	1,160,009	18.5%	211,332	3.4%	21.8%	18.5%	(14,384)	(14,384)	-	-	40,000	\$41.10
B	2,053,193	335,232	16.3%	17,836	0.9%	17.2%	13.6%	(10,944)	(10,944)	-	-	-	\$29.36
C	446,192	6,630	1.5%	-	0.0%	1.5%	0.9%	0	0	-	-	-	\$19.37
TOTAL	8,778,183	1,501,871	17.1%	229,168	2.6%	19.7%	15.9%	(25,328)	(25,328)	-	-	40,000	\$37.33
Chandler													
A	5,383,418	672,541	12.5%	814,124	15.1%	27.6%	8.8%	(75,183)	(75,183)	-	-	-	\$30.97
B	5,689,487	728,302	12.8%	342,948	6.0%	18.8%	9.4%	(198,110)	(198,110)	-	-	119,222	\$24.22
C	163,443	13,517	8.3%	-	0.0%	8.3%	11.3%	(175)	(175)	-	-	-	\$21.67
TOTAL	11,236,348	1,414,360	12.6%	1,157,072	10.3%	22.9%	9.2%	(273,468)	(273,468)	-	-	119,222	\$28.94
Deer Valley Airport													
A	4,946,478	838,565	17.0%	474,174	9.6%	26.5%	12.9%	27,560	27,560	-	-	-	\$27.46
B	5,663,942	732,603	12.9%	341,002	6.0%	19.0%	15.6%	56,165	56,165	-	-	-	\$25.25
C	99,417	1,731	1.7%	-	0.0%	1.7%	1.7%	0	0	-	-	-	\$22.70
TOTAL	10,709,837	1,572,899	14.7%	815,176	7.6%	22.3%	10.3%	83,725	83,725	-	-	-	\$27.27

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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	Q1-24 Availability	Q1-23 Direct Vacancy	Current Period	YTD	Current Period	YTD	SF	Rate (fs)
SUBURBAN													
Gateway Airport/Loop 202													
A	277,035	13,109	4.7%	-	0.0%	4.7%	5.3%	(6,841)	(6,841)	-	-	-	\$35.88
B	1,429,333	96,993	6.8%	14,963	1.0%	7.8%	6.4%	16,109	16,109	39,000	39,000	44,432	\$34.76
C	33,232	-	0.0%	-	0.0%	0.0%	0.0%	0	0	-	-	-	\$16.80
TOTAL	1,739,600	110,102	6.3%	14,963	0.9%	7.2%	6.2%	9,268	9,268	39,000	39,000	44,432	\$35.00
Glendale													
A	601,123	148,850	24.8%	7,506	1.2%	26.0%	13.5%	15,738	15,738	-	-	-	\$29.36
B	1,963,038	274,905	14.0%	32,800	1.7%	15.7%	12.7%	(29,648)	(29,648)	-	-	20,000	\$25.89
C	444,855	54,394	12.2%	-	0.0%	12.2%	12.2%	(56)	(56)	-	-	-	\$20.51
TOTAL	3,009,016	478,149	15.9%	40,306	1.3%	17.2%	12.8%	(13,966)	(13,966)	-	-	20,000	\$29.96
Loop 303/Surprise													
A	479,971	-	0.0%	-	0.0%	0.0%	0.0%	0	0	-	-	-	-
B	1,433,952	169,643	11.8%	15,000	1.0%	12.9%	8.6%	(13,724)	(13,724)	-	-	-	\$27.22
C	115,130	14,213	12.3%	-	0.0%	12.3%	19.2%	0	0	-	-	-	\$25.00
TOTAL	2,029,053	183,856	9.1%	15,000	0.7%	9.8%	7.1%	(13,724)	(13,724)	-	-	-	\$27.36
Mesa Downtown													
A	-	-	0.0%	-	0.0%	0.0%	0.0%	0	0	-	-	-	\$-
B	741,699	86,335	11.6%	972	0.0%	11.8%	23.6%	103,037	103,037	-	-	-	\$23.19
C	232,516	12,706	5.5%	-	0.0%	5.5%	1.7%	3,194	3,194	-	-	-	\$16.66
TOTAL	974,215	99,041	10.2%	972	0.0%	10.3%	18.4%	106,231	106,231	-	-	-	\$22.48
Mesa East													
A	666,362	310,011	46.5%	10,082	1.5%	48.0%	39.4%	11,061	11,061	-	-	-	\$40.53
B	2,110,687	158,113	7.5%	36,287	1.7%	9.2%	5.7%	18,074	18,074	-	-	-	\$25.10
C	626,838	31,228	5.0%	-	0.0%	5.0%	4.7%	(611)	(611)	-	-	-	\$20.65
TOTAL	3,403,887	499,352	14.7%	46,369	0.0%	16.0%	12.1%	28,524	28,524	-	-	-	\$32.75
Midtown/Central Phoenix													
A	-	-	0.0%	-	0.0%	0.0%	0.0%	0	0	-	-	-	\$-
B	3,110,959	307,405	9.9%	-	0.0%	9.9%	9.3%	(18,643)	(18,643)	-	-	-	\$25.10
C	1,654,745	57,108	3.5%	-	0.0%	3.5%	4.4%	(24,462)	(24,462)	-	-	-	\$21.33
TOTAL	4,765,704	364,513	7.6%	-	0.0%	7.6%	7.8%	(43,105)	(43,105)	-	-	-	\$25.03
Northwest Phoenix													
A	1,076,434	518,046	48.1%	-	0.0%	48.1%	47.9%	8,166	8,166	-	-	-	\$24.79
B	5,805,321	1,115,320	19.2%	244,362	4.2%	23.4%	17.6%	34,709	34,709	-	-	-	\$21.98
C	2,011,005	86,652	4.3%	7,863	0.4%	4.7%	4.1%	16,857	16,857	-	-	-	\$20.29
TOTAL	8,892,760	1,720,018	19.3%	252,225	2.8%	22.2%	18.2%	59,732	59,732	-	-	-	\$22.79
Paradise Valley													
A	1,756,633	408,694	23.3%	2,020	0.1%	23.4%	21.4%	(11,499)	(11,499)	-	-	-	\$33.17
B	2,486,850	200,826	8.1%	13,603	0.5%	8.6%	6.5%	(21,225)	(21,225)	-	-	-	\$28.65
C	285,947	3,832	1.3%	-	0.0%	1.3%	4.3%	1,842	1,842	-	-	-	\$21.12
TOTAL	4,529,430	613,352	13.5%	15,623	0.3%	13.9%	12.1%	(30,882)	(30,882)	-	-	-	\$32.05

FOR MORE INFORMATION

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Existing Properties Building Class	Direct Vacancy		Sublease Availability		Total Vacancy		Net Absorption - SF		New Supply - SF		Under Constr.	Average Rent	
	Total Inventory SF	SF	Rate	SF	Rate	Q1-24 Availability	Q1-23 Direct Vacancy	Current Period	YTD	Current Period	YTD	SF	Rate (fs)
SUBURBAN													
Piestewa Peak Corridor													
A	413,229	50,816	12.3%	70,167	17.0%	29.3%	7.0%	(8,605)	(8,605)	-	-	-	\$31.88
B	2,215,028	267,666	12.1%	36,840	1.7%	13.7%	10.3%	5,717	5,717	-	-	-	\$25.59
C	287,774	12,565	4.4%	-	0.0%	4.4%	0.6%	(12,565)	(12,565)	-	-	-	\$17.79
TOTAL	2,916,031	331,047	11.4%	107,007	3.7%	15.0%	9.2%	(15,453)	(15,453)	-	-	-	\$26.70
Scottsdale Airport													
A	7,562,002	1,217,183	16.1%	640,802	8.5%	24.6%	16.4%	41,284	41,284	-	-	101,890	\$35.59
B	5,359,649	413,875	7.7%	65,788	1.2%	8.9%	8.3%	3,703	3,703	-	-	-	\$32.93
C	157,038	9,656	6.1%	-	0.0%	6.1%	2.7%	(5,654)	(5,654)	-	-	-	\$22.37
TOTAL	13,078,689	1,640,714	12.5%	706,590	5.4%	17.9%	13.7%	39,333	39,333	-	-	101,890	\$33.35
Scottsdale Central													
A	2,589,153	569,585	22.0%	165,132	6.4%	28.4%	21.1%	9,742	9,742	-	-	-	\$31.70
B	5,249,462	525,438	10.0%	144,825	2.8%	12.8%	8.6%	(65,560)	(65,560)	-	-	-	\$28.93
C	165,640	2,400	1.4%	-	0.0%	1.4%	0.7%	1,197	1,197	-	-	-	\$22.88
TOTAL	8,004,255	1,097,423	13.7%	309,957	3.9%	17.6%	12.4%	(54,621)	(54,621)	-	-	-	\$31.53
Scottsdale South													
A	2,788,040	632,719	22.7%	132,393	4.7%	27.4%	22.0%	16,578	16,578	-	-	-	\$39.85
B	3,258,770	409,467	12.6%	220,496	6.8%	19.3%	14.0%	18,494	18,494	-	-	-	\$34.46
C	576,971	32,168	5.6%	2,273	0.4%	6.0%	6.3%	6,751	6,751	-	-	-	\$30.29
TOTAL	6,623,781	1,074,354	16.2%	355,162	5.4%	21.6%	16.9%	41,823	41,823	-	-	-	\$36.88
South Tempe/Ahwatukee													
A	1,261,377	488,920	38.8%	225,693	17.9%	56.7%	33.3%	(151,147)	(151,147)	-	-	135,000	\$32.20
B	4,777,594	780,578	16.3%	407,740	8.5%	24.9%	14.7%	28,248	28,248	-	-	-	\$25.66
C	440,144	-	0.0%	-	0.0%	0.0%	0.0%	0	0	-	-	-	\$-
TOTAL	6,479,115	1,269,498	19.6%	633,433	9.8%	29.4%	16.7%	(122,899)	(122,899)	-	-	135,000	\$28.44
Southwest Phoenix													
A	749,125	103,950	13.9%	-	0.0%	13.9%	13.9%	0	0	-	-	-	\$28.00
B	1,748,060	15,596	0.9%	-	0.0%	0.9%	1.8%	(2,927)	(2,927)	-	-	-	\$24.85
C	2,043,549	9,402	0.5%	-	0.0%	0.0%	0.6%	0	0	-	-	-	\$21.11
TOTAL	4,540,734	128,948	2.8%	-	0.0%	2.8%	3.6%	(2,927)	(2,927)	-	-	-	\$26.92
Superstition Corridor													
A	636,997	68,211	10.7%	48,228	7.6%	18.3%	9.2%	(16,932)	(16,932)	-	-	-	\$30.61
B	4,069,445	444,700	10.9%	59,819	1.5%	12.4%	10.9%	(58,480)	(58,480)	-	-	-	\$24.78
C	622,570	46,191	7.4%	-	0.0%	7.4%	8.1%	(22,050)	(22,050)	-	-	-	\$18.95
TOTAL	5,329,012	559,102	10.5%	108,047	2.0%	12.5%	10.3%	(97,462)	(97,462)	-	-	-	\$25.36
Tempe													
A	10,283,820	2,062,383	20.1%	1,062,377	10.3%	30.4%	11.9%	35,526	35,526	-	-	133,356	\$40.09
B	6,933,323	1,114,404	16.1%	330,904	4.8%	20.8%	15.2%	(60,101)	(60,101)	-	-	-	\$26.70
C	1,520,569	64,394	4.2%	144,690	9.5%	13.8%	0.8%	(3,241)	(3,241)	-	-	-	\$23.32
TOTAL	18,737,712	3,241,181	17.3%	1,537,971	8.2%	25.5%	12.1%	(27,816)	(27,816)	-	-	133,356	\$33.12

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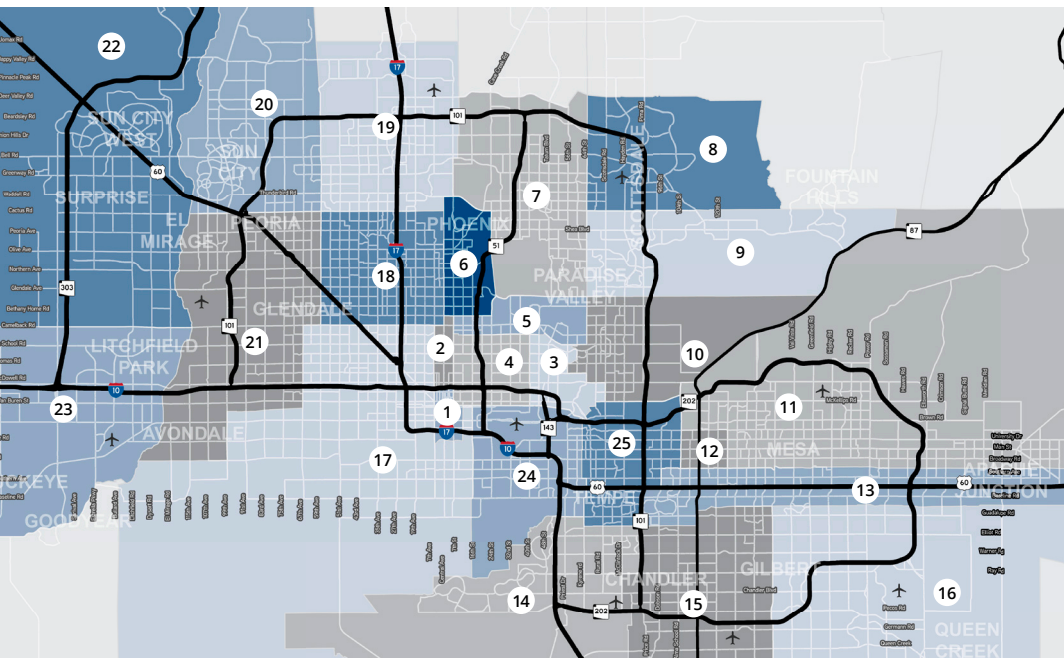
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Existing Properties Building Class	Direct Vacancy		Sublease Availability		Total Vacancy		Net Absorption - SF		New Supply - SF		Under Constr.	Average Rent	
	Total Inventory SF	SF	Rate	SF	Rate	Q1-24 Availability	Q1-23 Direct Vacancy	Current Period	YTD	Current Period	YTD	SF	Rate (fs)
SUBURBAN													
West I-10													
A	373,036	77,630	20.8%	-	20.8%	20.8%	27.8%	(10,204)	(10,204)	-	-	48,000	\$35.73
B	1,549,104	80,512	5.2%	7,064	0.5%	5.7%	6.5%	6,530	6,530	-	-	69,773	\$30.67
C	138,092	12,769	9.2%	-	0.0%	9.2%	1.9%	0	0	-	-	-	\$22.19
TOTAL	2,060,232	170,911	8.3%	7,064	0.3%	8.6%	10.0%	(3,674)	(3,674)	-	-	117,773	\$33.51

Grand Total													
A	62,536,866	13,633,161	21.8%	4,765,427	7.6%	29.4%	19.0%	(386,465)	(386,465)	0	0	458,246	\$33.10
B	86,985,586	10,681,593	12.3%	2,965,209	3.4%	15.7%	12.4%	(155,376)	(155,376)	39,000	39,000	253,427	\$26.51
C	15,046,278	594,075	3.9%	156,073	1.0%	5.0%	3.9%	(30,913)	(30,913)	0	0	0	\$22.78
TOTAL	164,568,730	24,908,829	15.1%	7,886,709	4.8%	19.9%	14.0%	(572,754)	(572,754)	39,000	39,000	711,673	\$29.87

Quarterly Comparisons and Totals													
2024 Q1	164,568,730	24,908,829	15.1%	7,886,709	4.8%	19.9%	14.0%	(572,754)	(572,754)	39,000	39,000	711,673	\$29.87
2023 Q4	164,257,935	24,517,697	14.9%	7,425,600	4.5%	19.4%	14.3%	(177,760)	(1,738,159)	150,000	740,128	757,273	\$29.66
2023 Q3	164,732,809	24,252,139	14.7%	7,411,338	4.5%	19.2%	13.6%	(1,167,527)	(1,560,399)	315,872	590,128	763,615	\$29.34
2023 Q2	164,290,012	23,124,296	14.1%	7,476,257	4.6%	18.6%	14.1%	62,244	(393,072)	125,000	274,256	990,740	\$29.24
2023 Q1	163,992,095	23,023,570	14.0%	7,178,585	4.4%	18.4%	14.1%	(455,116)	(455,116)	149,256	149,256	885,345	\$29.10

*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 AirPark
- 8. Scottsdale
- 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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\$4.3B
annual revenue



2B
square feet managed



19,000
professionals



66
countries we operate in



\$98B
assets under management



46,000
lease and sale transactions

Number of countries includes affiliates

About Colliers

Colliers (NASDAQ, TSX: CIGI) is a leading diversified professional services and investment management company. With operations in 66 countries, our 18,000 enterprising professionals work collaboratively to provide expert real estate and investment advice to clients. For more than 28 years, our experienced leadership with significant inside ownership has delivered compound annual investment returns of approximately 20% for shareholders. With annual revenues of \$4.5 billion and \$98 billion of assets under management, Colliers maximizes the potential of property and real assets to accelerate the success of our clients, our investors and our people. Learn more at corporate.colliers.com, Twitter [@Colliers](https://twitter.com/Colliers) or [LinkedIn](https://www.linkedin.com/company/colliers).

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