


SIGNIFICANT LEASE DEALS

Address	Submarket/City	Square Feet	Tenant
1755 S. 75th Ave	Southwest Valley	211,185	States Logistics
100 N. 61st Ave	Southwest Valley	181,325	Sendoso
317 S. 48th St	Tempe	154,813	Integrated CBD

SIGNIFICANT BUILDING SALES

Address City	Sale Value Type of Sale	PPSF Cap Rate	SF Class	Buyer Seller
2500 W. Frye Rd Southeast Valley	\$79,750,000 Investment	\$380.89 -	191,000 Flex/Data	CBRE Global Investors Lincoln Property Co
575 S. 143rd Ave Southwest Valley	\$69,832,600 Owner/User	\$77.45 -	901,700 Class A	Nike, Inc. Lincoln Property Co
1635 S. 43rd Ave Southwest Valley	\$47,400,000 Owner/User	\$120.07 -	394,775 Class A	Vital Pharmaceuticals Cohen Asset Mgmt

LARGEST DELIVERIES


Address	Submarket/City	SF	Developer
3333 N. 59th Ave	Phoenix	554,000	Trammell Crow Co
Lotus Project (4 Bldgs)	Chandler	473,516	Conor Commercial
8001 W. Buckeye Rd	Phoenix	379,828	Wentworth Prop Co


LARGEST UNDER CONSTRUCTION

Address	Submarket/City	SF	Delivery Date
305 S. Bullard Ave	Goodyear	790,980	Q4 2019
SWC 101st Ave & Roosevelt	Avondale	651,775	Q2 2020
SWC Indian School & Cotton	Goodyear	643,798	Q4 2019

TOTAL INDUSTRIAL MARKET STATISTICS


	Vacancy Rate	Avg. SF Rental Rates NNN	Net SF Absorption	SF Inventory	SF Under Construction
Q3 2019	7.20%	\$7.56	2,063,180	316,364,852	9,694,226
Q2 2019	6.80%	\$7.56	1,492,672	313,210,462	9,797,239
Q1 2019	7.20%	\$7.56	672,695	311,916,181	6,933,315
Q4 2018	7.50%	\$7.32	2,419,344	311,459,551	5,424,724
Q3 2018	7.40%	\$7.20	688,445	307,968,137	7,004,491


2,063,180 NET ABSORPTION
SF


7.20% VACANCY
22,872,436 SF


\$7.56 AVG. ASKING RATE
PSF GROSS


3,058,664 DELIVERIES
17 Buildings


9,694,226 UNDER
CONSTRUCTION
20 Buildings

CHRIS MCCHESENEY, Research Dir.

High demand along with record construction kept the Phoenix industrial market rolling through the third quarter. With one quarter remaining in 2019, vacancy rates crept up slightly to 7.2%, rental rates remained steady at \$0.63/SF NNN and net absorption vaulted to 2,063,180 SF. Nearly 9.7 million SF of space was under construction at the end of the third quarter. The largest delivery during Q3 was 202 West Logistics Center, a 554,000 SF warehouse/distribution facility in the Southwest Valley. Nike purchased a 901,700 SF distribution facility (40' clear height) in the Southwest Valley for \$69,832,600.