

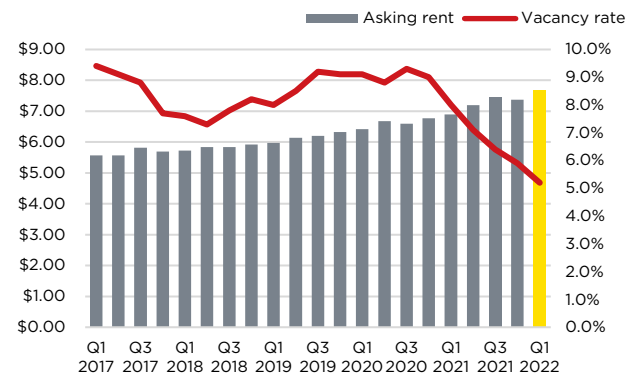
**KEY STATISTICS**

Inventory	y-o-y Change	Vacancy Rate	y-o-y Change	Quarterly Net Absorption	y-o-y Change	Under Construction	y-o-y Change	Deliveries	y-o-y Change	Asking Rental Rate	y-o-y Change
<b>239.6</b> MSF	▲	<b>5.2</b> %	▼	<b>7.0</b> MSF	▲	<b>37.0</b> MSF	▲	<b>5.7</b> MSF	▲	<b>\$7.68</b> PSF	▲
Q1 2021: 222.0 MSF		Q1 2021: 8.0%		Q1 2021: 4.0 MSF		Q1 2021: 19.3 MSF		Q4 2021: 2.0 MSF		Q1 2021: \$6.89	

**Market Trends**

- The Phoenix industrial market continues to be one of the hottest in the country with a record amount of product under construction and asking rental rates at all-time highs.
- The region's data center market is experiencing heightened demand since Arizona extended the tax incentive for data center development in 2021 for another 10 years.
- Industrial rents in Phoenix are nearly 50% lower than in Southern California, which is making it attractive for business relocations.

**ASKING RENT AND VACANCY**



**TOP LEASING TRANSACTIONS**

Tenant	Square Feet	Address	Transaction Type
Lowe's	1,200,000	Southeast Crimson Road and Pecos Road, Mesa, AZ	New
Amazon	1,194,923	8560 East Elliot Road, Mesa, AZ	New
Temper Sealy	552,330	7037 West Van Buren Street, Phoenix, AZ	New
Wesco	409,254	10209 West Roosevelt Street, Avondale, AZ	New
Sweet Water	349,663	16801 West Glendale Avenue, Glendale, AZ	New

Source: Savills Research

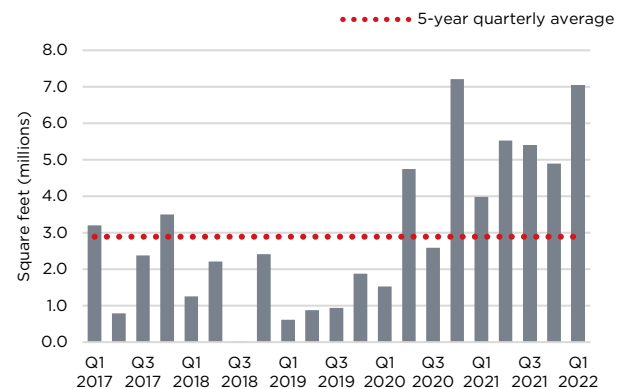
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**NET ABSORPTION**



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Unless otherwise noted, all rents quoted throughout this report are average asking net (NNN) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical vacancy and rent data are subject to change due to changes in inventory.

The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research.

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