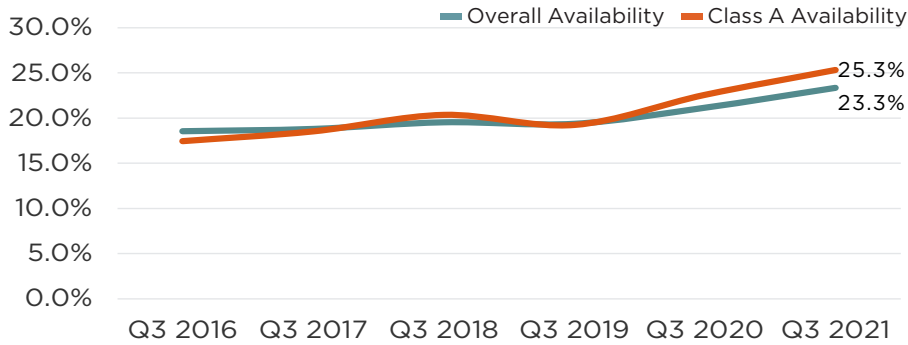
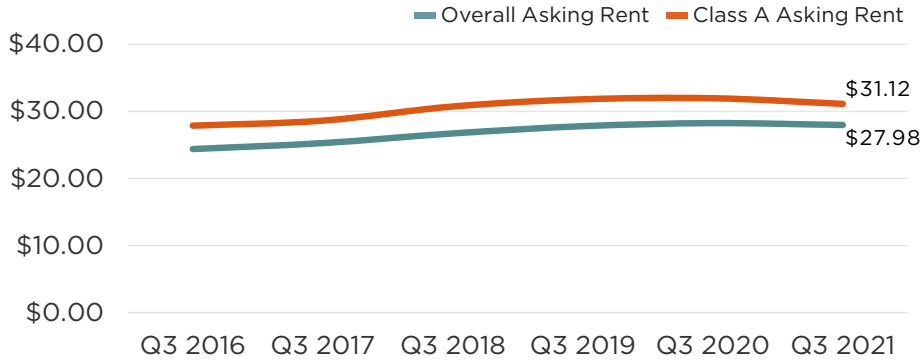




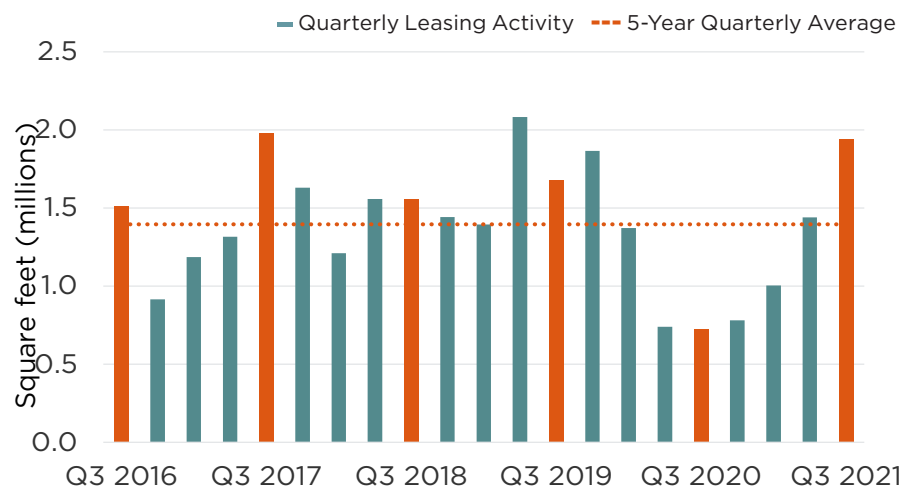
## AVAILABILITY TRENDS



## ASKING RENT TRENDS



## QUARTERLY LEASING ACTIVITY



## NOTABLE TRANSACTIONS

TENANT	SF
Banner Health - 4200 E Camelback Rd	70,000 SF
Peloton - 615 S River Dr	44,603 SF
Maricopa County - 1001 W Southern Ave	41,917 SF
SmartRent - 8665 E Hartford Dr	40,893 SF
Stewart Title - 3131 E Camelback Rd	35,145 SF

## KEY STATISTICS

	Q3 2020	Q3 2021	Y-o-y Change
Overall Availability Rate (%)	21.1%	<b>23.3%</b>	▲
Sublease Availability (MSF)	3.2 MSF	<b>4.6 MSF</b>	▲
Overall Asking Rent (\$/PSF)	\$28.26	<b>\$27.98</b>	▼
Class A Asking Rent (\$/PSF)	\$31.95	<b>\$31.12</b>	▼
Quarterly Leasing Activity	0.7 MSF	<b>1.9 MSF</b>	▲

## TAKEAWAYS

- Ending a streak of five consecutive quarters of increases, Phoenix saw a decrease in overall availability, falling 20 basis points from Q2 to 23.3% in the third quarter.
- While other major office markets began to see sublease availability contract, Phoenix observed continued growth in the third quarter with available sublease inventory rising to approximately 4.6 million square feet (msf) and increasing by 44 percent year over year.
- Occupiers have clearly reengaged the market, as evidenced by the more than 1.9 msf leased, marking the fourth straight quarter in which leasing activity increased over the prior period.
- Overall asking rental rates have fallen by 1.0 percent over the last year, to \$27.98 per square foot (psf), due in part to downward pressure on direct rents from heavily discounted sublease space that has flooded the market.

For more information, please contact us:

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### About Savills Inc.

Savills helps organizations find the right solutions that ensure employee success. Sharply skilled and fiercely dedicated, the firm's integrated teams of consultants and brokers are experts in better real estate. With services in tenant representation, workforce and incentives strategy, workplace strategy and occupant experience, project management, and capital markets, Savills has elevated the potential of workplaces around the corner, and around the world, for 160 years and counting.

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