

# MIDQUARTER SNAPSHOT

## Office Q4 2020 Phoenix



### MARKET ACTIVITY

### KEY TAKE AWAYS

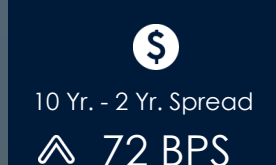
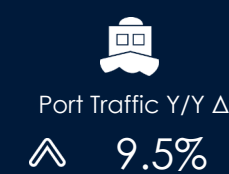
### ECONOMIC OUTLOOK

#### MARKET

- **Vacancy Rate:** Overall vacancy increased by 60 BPS to 16.3%.
- **Net Absorption:** Fell further into negative levels.
- **Office Supply:** Over 1.2M SF under construction.
- **Leasing Activity:** Slightly over 600K SF has been leased halfway through Q4.
- **Sales:** In Q4, the median price PSF is \$178.14.

#### ECONOMIC OUTLOOK

- **GDP:** Q3 finished at a historic growth rate of 33.1%.
- **Employment:** The unemployment rate continues to decline, but the employment situation is bleak for millions of Americans as thousands of business are permanently closing due to governmental mandated closures.
- **Economic Relief:** Is looking unlikely that another round of relief will pass in 2020. Congress will likely pass some sort of stimulus after the new administration & congress are sworn in January 2021.
- **Stability:** The completion of the Presidential election will likely add economic stability to the commercial real estate market.



EXPERIENCE IN A CHANGING MARKET

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