# MIDQUARTER SNAPSHOT

## Industrial Q1 2021 Phoenix















**Under Construction** 

**A** 9,098,849 SF



**№** 9.8%



Net Absorption





Gross Absorption

**>** 3,926,153 SF



Rental Rates (NNN)

\$0.65

Deal Volume

### KEY TAKE AWAYS

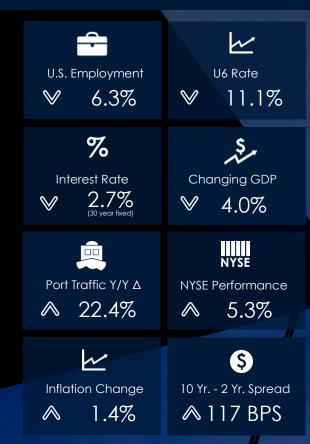
#### **MARKET**

- Vacancy Rate: Fell by 10 BPS to 7.2% from Q4.
- **Net Absorption**: Has totaled slightly over 945K SF so
- Sales: The median price PSF in Q1 is \$138.69. Halfway into Q1 volume is down 33.1% when compared to the same period in Q4.
- Industrial Supply: Over 6.6M SF was delivered in Q4. Bringing the 2020 total to 17.2M SF. In Q1, 405K SF has been delivered. Under construction now sits at 9.1M SF in Q1.

#### **FCONOMIC OUTLOOK**

- GDP: Q4 estimates show a growth rate of 4.0%.
- **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: Congress and the new administration have proposed a \$1.9T stimulus package. Analyst predict some stimulus will be passed in March.
- Stability: The completion of the Presidential election will likely add economic stability to the commercial real estate market.

### **ECONOMIC OUTLOOK**



**EXPERIENCE IN A CHANGING MARKET** 

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