

MIDQUARTER SNAPSHOT

Office Q1 2021 Phoenix



MARKET ACTIVITY

KEY TAKE AWAYS

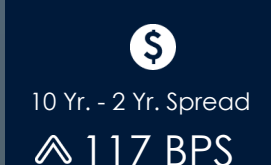
ECONOMIC OUTLOOK

MARKET

- **Vacancy Rate:** Overall vacancy increased by 50 BPS to 16.6%.
- **Net Absorption:** Fell further into negative levels.
- **Office Supply:** Over 1.6M SF under construction.
- **Sales:** In Q1, the median price PSF is \$198.93. Volume has exceeded \$227M thus far in Q1. A 362% increase over the same period in Q4.

ECONOMIC 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.



EXPERIENCE IN A CHANGING MARKET

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