

Phoenix, Arizona

3rd Quarter 2015

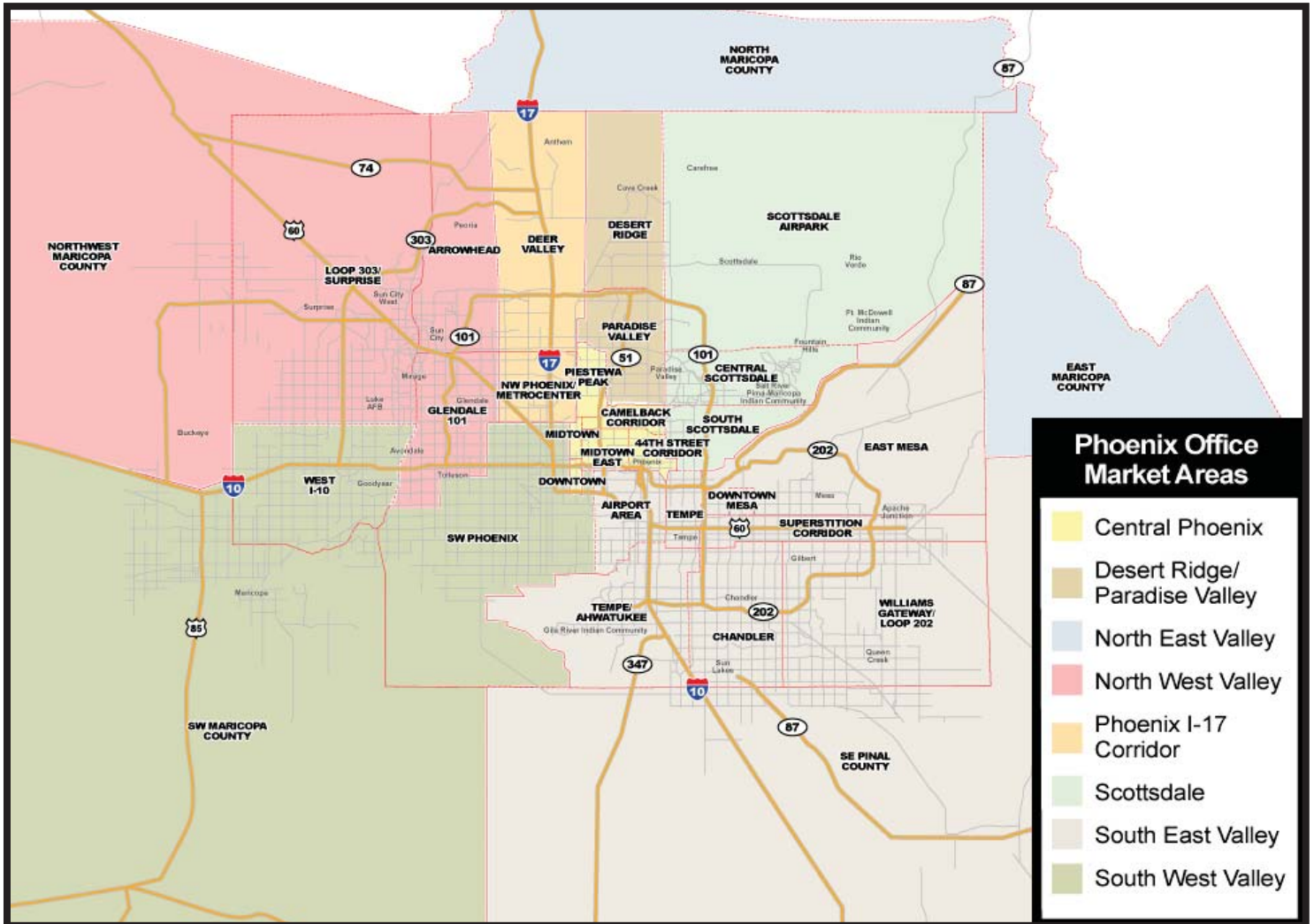
Office Market Trends

Xceligent[®]

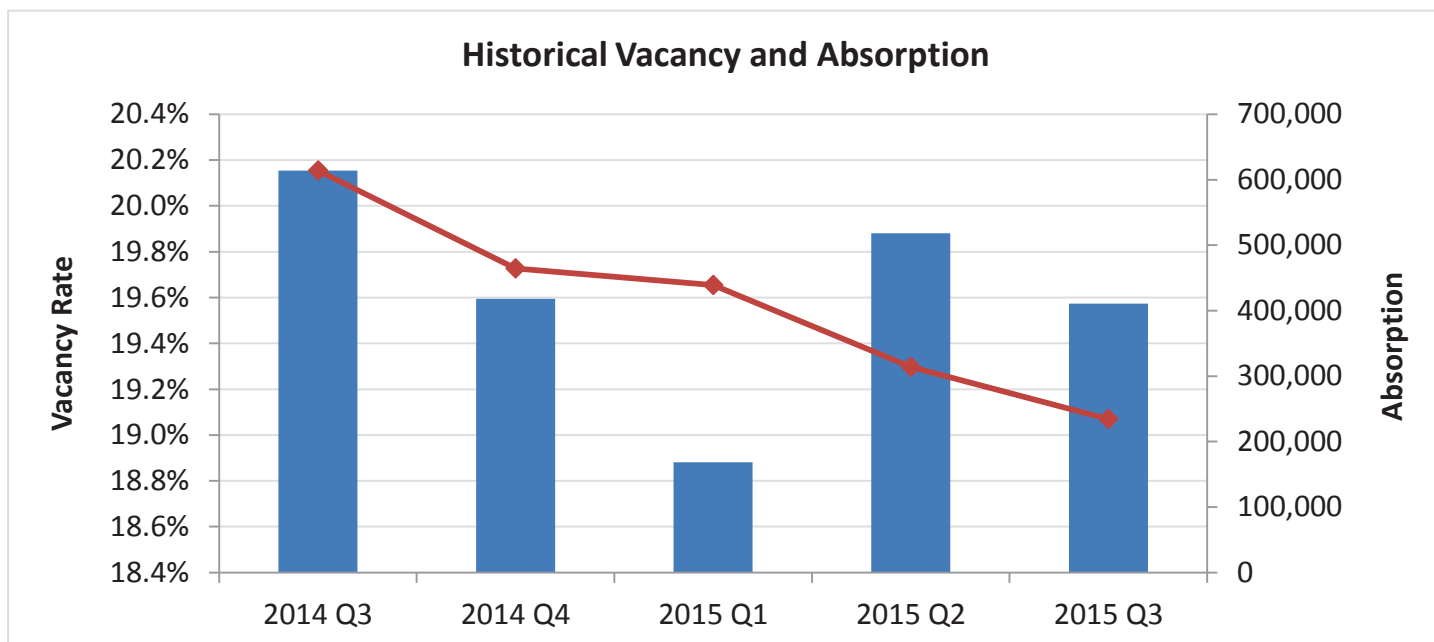
COMMERCIAL REAL ESTATE INFORMATION

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Inventory	The total square feet of all existing multi-tenant office buildings greater than 10,000 SF, excluding government buildings, medical buildings, and office condo buildings. Only includes 100% office properties.
Total Available SF	All of the available leasable space within a building, whether it is occupied or vacant, for direct lease or sublease space. Space can be available but not vacant, for example, if the landlord, or his agent, is marketing space that will be coming available at a future date because a tenant is planning to move.
Total Vacant SF	The total of all of the vacant square footage within a building, including both direct and sublease space. Whether the tenant is paying rent or not, the space is considered vacant only if it is unoccupied.
Direct Vacant SF	The total of the vacant square footage in a building that is being marketed by an agent representing the landlord.
Sublease SF	Space that is offered for lease by a current tenant, or his agent, within a property.
Net Absorption	The net change in physically occupied space from quarter to quarter, expressed in square feet.



- Phoenix office vacancy continues to drop, seeing a reduction from 20.1% to 19.1% year over year.
- Average full service gross asking rates increased across all building classes; with class A increasing \$.77, B increasing \$.09, and class C increasing \$.08.
- For the second quarter in a row, the Desert Ridge submarket saw the largest decrease in vacancy rate thanks to Regus and Republic Services moving in at Desert Ridge Corporate Center, occupying 47,372 SF combined.
- The Scottsdale Airpark submarket saw the largest positive net absorption, due in large part to American Express moving in to 56,608 square feet at Corporate Center At Kierland, APL Logistics moving in to 16,875 sf at Princess & Perimeter and Regus moving in to 15,743 sf at Raintree Corporate Center.



Market Overview by Building Class

	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Qtrly Net Absorption (SF)	YTD Net Absorption (SF)
A	138	22,902,714	4,620,476	4,213,169	18.4%	3,926,470	17.1%	465,361	170,575	502,699
B	1,521	73,140,598	16,591,748	14,393,981	19.7%	14,048,196	19.2%	649,815	211,205	641,322
C	365	8,862,178	1,661,967	1,398,315	15.8%	1,396,461	15.8%	61,796	28,973	161,876
Grand Total	2,024	104,905,490	22,874,191	20,005,465	19.1%	19,371,127	18.5%	1,176,972	410,753	1,305,897

Overview by Property Submarket



Market	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Qtrly Net Absorption (SF)	YTD Total Net Absorption
Central Phoenix	448	32,749,549	7,456,316	6,460,068	19.7%	6,250,519	19.1%	451,759	110,850	384,743
44th Street Corridor	47	2,662,283	667,201	289,530	10.9%	281,535	10.6%	34,016	(3,174)	75,677
A	5	616,936	216,606	74,585	12.1%	66,590	10.8%	11,776	(3,860)	7,964
B	33	1,722,846	421,955	208,545	12.1%	208,545	12.1%	0	(8,075)	17,274
C	9	322,501	28,640	6,400	2.0%	6,400	2.0%	22,240	8,761	50,439
Camelback Corridor	125	8,060,346	1,934,587	1,588,933	19.7%	1,545,664	19.2%	127,684	39,697	175,346
A	16	3,318,233	820,986	673,621	20.3%	666,571	20.1%	34,792	15,160	59,470
B	84	4,194,246	1,011,629	823,340	19.6%	787,121	18.8%	92,892	24,712	91,601
C	25	547,867	101,972	91,972	16.8%	91,972	16.8%	0	(175)	24,275
Downtown	43	6,892,984	1,291,665	1,127,997	16.4%	1,049,584	15.2%	133,779	9,375	(48,847)
A	7	3,295,144	677,042	595,201	18.1%	529,950	16.1%	120,617	(1,059)	(50,199)
B	24	3,227,081	559,287	477,460	14.8%	464,298	14.4%	13,162	5,199	(3,883)
C	12	370,759	55,336	55,336	14.9%	55,336	14.9%	0	5,235	5,235
Midtown	102	10,961,902	2,678,186	2,716,672	24.8%	2,658,064	24.2%	124,716	62,157	188,280
A	8	3,004,340	582,890	785,346	26.1%	760,571	25.3%	44,170	11,894	49,953
B	75	6,925,872	1,940,536	1,781,491	25.7%	1,747,658	25.2%	80,546	36,565	125,777
C	19	1,031,690	154,760	149,835	14.5%	149,835	14.5%	0	13,698	12,550
Midtown East	75	2,062,955	295,328	283,624	13.7%	262,360	12.7%	21,264	1,718	(29,934)
B	53	1,636,115	220,226	212,275	13.0%	191,011	11.7%	21,264	1,898	(26,221)
C	22	426,840	75,102	71,349	16.7%	71,349	16.7%	0	(180)	(3,713)
Piestewa Peak	56	2,109,079	589,349	453,312	21.5%	453,312	21.5%	10,300	1,077	24,221
A	3	464,916	109,348	101,848	21.9%	101,848	21.9%	7,500	(4,644)	141
B	42	1,419,645	431,388	308,501	21.7%	308,501	21.7%	2,800	4,193	19,390
C	11	224,518	48,613	42,963	19.1%	42,963	19.1%	0	1,528	4,690
Desert Ridge / Paradise Valley	66	2,960,675	446,513	366,629	12.4%	366,629	12.4%	0	62,576	72,155
Desert Ridge	11	881,225	81,128	42,125	4.8%	42,125	4.8%	0	52,420	95,603
A	9	734,608	70,068	31,065	4.2%	31,065	4.2%	0	17,386	55,429
B	2	146,617	11,060	11,060	7.5%	11,060	7.5%	0	35,034	40,174
Paradise Valley	55	2,079,450	365,385	324,504	15.6%	324,504	15.6%	0	10,156	(23,448)
B	39	1,357,729	272,972	246,933	18.2%	246,933	18.2%	0	13,063	(17,868)
C	16	721,721	92,413	77,571	10.7%	77,571	10.7%	0	(2,907)	(5,580)
NW Valley	90	2,241,765	440,135	410,259	18.3%	408,405	18.2%	8,343	19,140	43,815
Arrowhead	52	1,157,928	211,209	194,584	16.8%	192,730	16.6%	6,743	13,442	39,688
A	1	25,000	0	0	0.0%	0	0.0%	0	0	25,000
B	40	951,127	182,237	165,612	17.4%	165,612	17.4%	4,889	12,166	17,696
C	11	181,801	28,972	28,972	15.9%	27,118	14.9%	1,854	1,276	(3,008)
Glendale 101	22	689,684	119,558	114,307	16.6%	114,307	16.6%	1,600	2,442	12,402
A	2	185,636	12,657	12,657	6.8%	12,657	6.8%	0	2,442	10,778
B	14	381,222	67,986	66,386	17.4%	66,386	17.4%	1,600	0	0
C	6	122,826	38,915	35,264	28.7%	35,264	28.7%	0	0	1,624
Loop 303 / Surprise	16	394,153	109,368	101,368	25.7%	101,368	25.7%	0	3,256	(8,275)
A	1	54,735	8,235	8,235	15.0%	8,235	15.0%	0	3,156	1,707
B	10	269,951	96,987	88,987	33.0%	88,987	33.0%	0	100	(5,836)
C	5	69,467	4,146	4,146	6.0%	4,146	6.0%	0	0	(4,146)

Overview By Property Submarket continues to next page...

Overview by Property Submarket



Market	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Qtrly Net Absorption (SF)	YTD Total Net Absorption
Phoenix I-17 Corridor	240	12,175,001	3,109,083	2,831,189	23.3%	2,819,054	23.2%	70,703	87,808	274,918
Deer Valley	105	6,594,220	1,603,876	1,393,011	21.1%	1,380,876	20.9%	70,703	33,916	207,934
A	5	335,392	96,047	65,110	19.4%	60,659	18.1%	4,451	1,639	45,102
B	92	6,078,468	1,504,044	1,324,116	21.8%	1,316,432	21.7%	66,252	33,282	163,091
C	8	180,360	3,785	3,785	2.1%	3,785	2.1%	0	(1,005)	(259)
Northwest Phoenix / Metrocenter	135	5,580,781	1,505,207	1,438,178	25.8%	1,438,178	25.8%	0	53,892	66,984
A	3	402,519	78,256	78,256	19.4%	78,256	19.4%	0	0	3,882
B	83	4,028,223	1,067,906	1,082,673	26.9%	1,082,673	26.9%	0	54,523	4,422
C	49	1,150,039	359,045	277,249	24.1%	277,249	24.1%	0	(631)	58,680
Scottsdale	491	23,006,974	4,352,093	3,830,872	16.7%	3,687,666	16.0%	270,609	119,044	255,140
Central Scottsdale	118	6,244,767	1,062,160	856,746	13.7%	829,359	13.3%	53,977	(2,446)	6,978
A	12	1,116,703	183,604	148,469	13.3%	125,739	11.3%	32,730	(4,454)	509
B	92	4,939,059	821,248	650,969	13.2%	646,312	13.1%	21,247	6,458	8,660
C	14	189,005	57,308	57,308	30.3%	57,308	30.3%	0	(4,450)	(2,191)
Scottsdale Airpark	276	11,801,597	2,525,258	2,266,432	19.2%	2,179,849	18.5%	152,262	110,818	171,170
A	26	2,779,432	706,868	682,783	24.6%	674,059	24.3%	13,551	40,226	109,146
B	232	8,692,064	1,776,109	1,541,368	17.7%	1,463,509	16.8%	138,711	73,829	63,790
C	18	330,101	42,281	42,281	12.8%	42,281	12.8%	0	(3,237)	(1,766)
South Scottsdale	97	4,960,610	764,675	707,694	14.3%	678,458	13.7%	64,370	10,672	76,992
A	10	2,148,826	149,520	114,250	5.3%	98,370	4.6%	43,060	0	63,668
B	60	2,249,542	532,009	512,020	22.8%	498,664	22.2%	21,310	3,261	10,730
C	27	562,242	83,146	81,424	14.5%	81,424	14.5%	0	7,411	2,594
SE Valley	615	29,661,675	6,463,468	5,583,501	18.8%	5,315,907	17.9%	375,558	4,591	266,681
Airport Area	167	11,336,362	2,935,417	2,455,223	21.7%	2,224,520	19.6%	278,125	(147,541)	232,843
A	5	806,550	170,033	157,842	19.6%	41,667	5.2%	125,895	(2,550)	(2,905)
B	138	9,879,448	2,621,483	2,207,439	22.3%	2,092,911	21.2%	114,528	(143,477)	233,220
C	24	650,364	143,901	89,942	13.8%	89,942	13.8%	37,702	(1,514)	2,528
Chandler	85	4,185,562	861,095	954,351	22.8%	943,616	22.5%	13,435	57,921	(68,935)
A	7	743,506	206,423	211,945	28.5%	202,633	27.3%	12,012	38,121	40,773
B	71	3,315,070	654,672	742,406	22.4%	740,983	22.4%	1,423	18,070	(109,708)
C	7	126,986	0	0	0.0%	0	0.0%	0	1,730	0
Downtown Mesa	19	517,909	72,755	57,071	11.0%	57,071	11.0%	0	(3,360)	24,889
A	1	70,000	465	465	0.7%	465	0.7%	0	0	0
B	9	280,567	30,251	18,169	6.5%	18,169	6.5%	0	(3,360)	20,338
C	9	167,342	42,039	38,437	23.0%	38,437	23.0%	0	0	4,551
East Mesa	40	915,470	118,559	112,708	12.3%	112,708	12.3%	0	(1,588)	24,231
B	29	726,521	95,960	90,109	12.4%	90,109	12.4%	0	(1,588)	15,418
C	11	188,949	22,599	22,599	12.0%	22,599	12.0%	0	0	8,813
South Tempe / Ahwatukee	97	3,929,174	1,036,207	720,139	18.3%	695,604	17.7%	31,061	47,135	4,829
A	1	77,432	17,058	17,058	22.0%	12,702	16.4%	4,356	0	2,332
B	90	3,754,585	1,016,021	699,953	18.6%	679,774	18.1%	26,705	44,850	212
C	6	97,157	3,128	3,128	3.2%	3,128	3.2%	0	2,285	2,285

Overview By Property Submarket continues to next page...

Overview by Property Submarket



Market	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Qtrly Net Absorption (SF)	YTD Total Net Absorption
SE Valley [cont.]										
Superstition Corridor	100	3,276,604	789,422	769,847	23.5%	769,847	23.5%	37,369	51,757	23,205
A	3	472,510	227,011	210,836	44.6%	210,836	44.6%	1,967	50,003	76,070
B	78	2,394,937	493,589	495,236	20.7%	495,236	20.7%	35,402	2,060	(53,366)
C	19	409,157	68,822	63,775	15.6%	63,775	15.6%	0	(306)	501
Tempe	82	4,927,798	484,805	414,789	8.4%	413,168	8.4%	15,568	2,591	11,262
A	11	2,190,290	278,741	237,357	10.8%	237,357	10.8%	8,484	7,115	4,389
B	57	2,470,461	179,821	153,303	6.2%	151,682	6.1%	7,084	(7,287)	4,034
C	14	267,047	26,243	24,129	9.0%	24,129	9.0%	0	2,763	2,839
Williams Gateway / Loop 202	25	572,796	165,208	99,373	17.3%	99,373	17.3%	0	(2,324)	14,357
A	1	10,855	2,368	2,368	21.8%	2,368	21.8%	0	0	0
B	23	532,641	162,840	97,005	18.2%	97,005	18.2%	0	(2,324)	14,357
C	1	29,300	0	0	0.0%	0	0.0%	0	0	0
SW Valley	74	2,109,851	606,583	522,947	24.8%	522,947	24.8%	0	6,744	8,445
Southwest Phoenix	52	1,609,357	547,497	470,265	29.2%	470,265	29.2%	0	4,943	(3,978)
B	36	1,192,260	376,271	347,422	29.1%	347,422	29.1%	0	6,252	(3,344)
C	16	417,097	171,226	122,843	29.5%	122,843	29.5%	0	(1,309)	(634)
West I-10	22	500,494	59,086	52,682	10.5%	52,682	10.5%	0	1,801	12,423
A	1	49,151	6,250	3,872	7.9%	3,872	7.9%	0	0	(510)
B	15	374,301	43,261	41,203	11.0%	41,203	11.0%	0	1,801	11,364
C	6	77,042	9,575	7,607	9.9%	7,607	9.9%	0	0	1,569
Grand Total	2,024	104,905,490	22,874,191	20,005,465	19.1%	19,371,127	18.5%	1,176,972	410,753	1,305,897

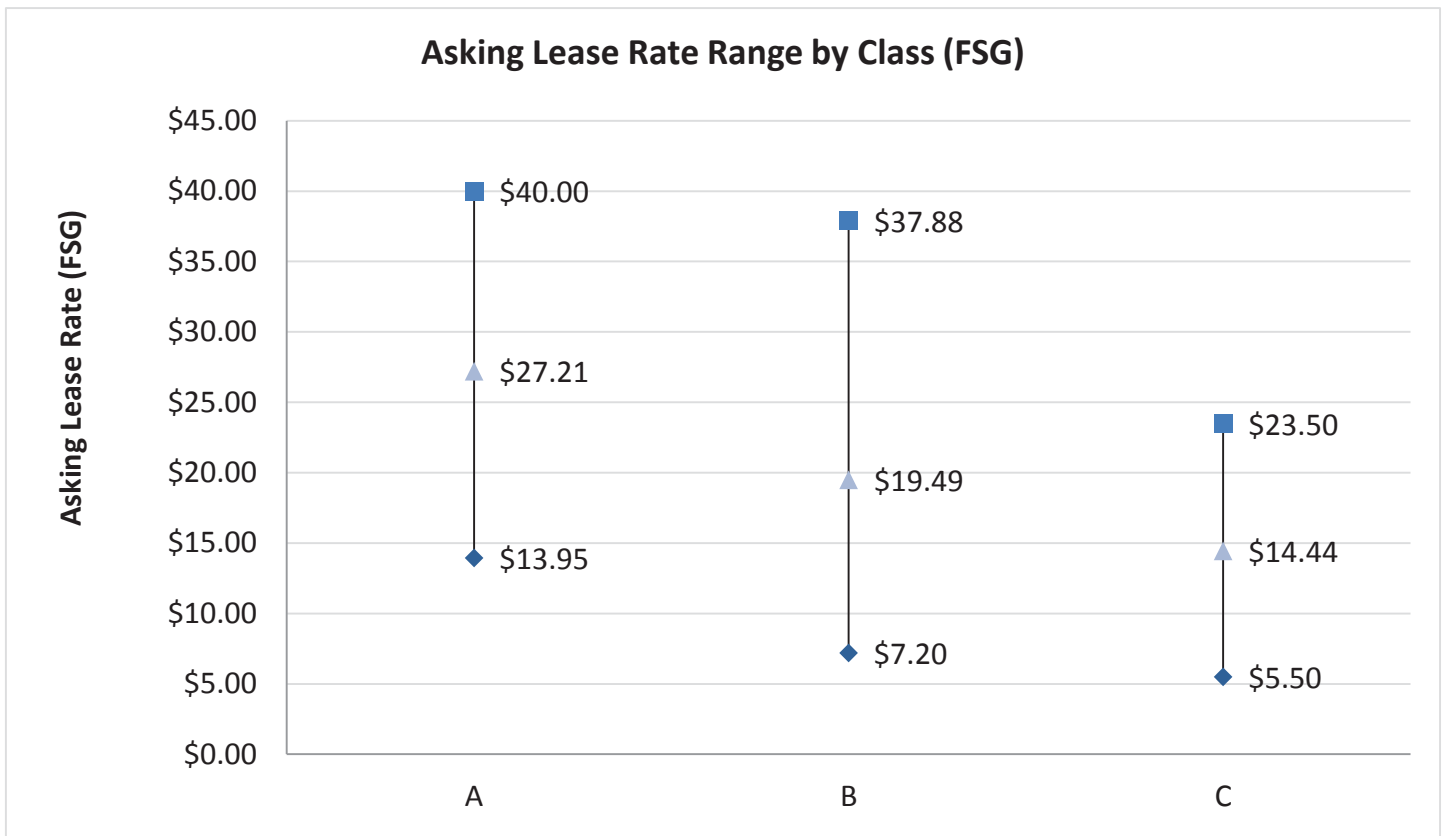
	Direct Vacancy Rate %					Asking Direct Lease Rate (FSG)				
	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3
Central Phoenix	20.6%	20.3%	20.1%	19.3%	19.1%	\$19.12	\$19.27	\$19.43	\$19.66	\$20.33
44th Street Corridor	14.1%	12.2%	11.9%	10.9%	10.6%	\$17.67	\$18.80	\$18.64	\$19.66	\$20.23
A	18.9%	12.1%	11.4%	10.2%	10.8%	\$22.79	\$23.69	\$24.19	\$25.90	\$25.90
B	12.7%	13.1%	12.9%	11.6%	12.1%	\$17.05	\$18.05	\$17.81	\$18.69	\$18.85
C	11.7%	6.6%	6.2%	8.5%	2.0%	\$14.63	\$14.63	\$14.63	\$14.42	\$15.25
Camelback Corridor	22.4%	21.0%	20.5%	19.4%	19.2%	\$22.41	\$22.30	\$22.37	\$22.21	\$22.89
A	23.1%	21.9%	20.7%	19.8%	20.1%	\$28.52	\$29.28	\$29.95	\$30.73	\$32.00
B	22.5%	21.0%	20.9%	19.3%	18.8%	\$21.30	\$21.44	\$21.95	\$21.66	\$22.01
C	16.9%	15.8%	16.6%	16.8%	16.8%	\$15.54	\$13.99	\$15.64	\$15.64	\$15.70
Downtown	15.7%	15.3%	14.9%	15.4%	15.2%	\$22.22	\$21.50	\$22.38	\$22.44	\$23.12
A	16.0%	16.2%	15.5%	16.1%	16.1%	\$29.42	\$29.45	\$29.08	\$29.08	\$29.75
B	15.7%	14.3%	14.2%	14.5%	14.4%	\$20.53	\$19.68	\$20.56	\$20.69	\$21.44
C	12.8%	16.3%	16.3%	16.3%	14.9%	\$12.33	\$12.50	\$13.83	\$13.83	\$14.33
Midtown	24.7%	25.5%	25.7%	24.7%	24.2%	\$17.75	\$18.02	\$18.02	\$18.15	\$18.89
A	25.7%	25.3%	24.3%	25.2%	25.3%	\$21.22	\$21.59	\$22.03	\$22.44	\$24.50
B	25.5%	27.1%	27.8%	25.8%	25.2%	\$17.45	\$17.63	\$17.49	\$17.49	\$18.01
C	15.8%	15.7%	15.9%	15.9%	14.5%	\$14.92	\$14.89	\$15.09	\$15.91	\$15.91
Midtown East	14.7%	13.9%	15.0%	12.6%	12.7%	\$14.63	\$14.69	\$15.15	\$15.42	\$15.73
A	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	13.2%	12.7%	13.1%	11.8%	11.7%	\$14.86	\$15.06	\$15.63	\$15.88	\$16.47
C	20.3%	18.3%	21.6%	15.4%	16.7%	\$12.83	\$13.20	\$13.64	\$13.75	\$13.61
Piestewa Peak	22.1%	22.4%	21.8%	21.3%	21.5%	\$16.65	\$17.42	\$17.71	\$18.21	\$18.84
A	21.6%	21.9%	20.9%	20.9%	21.9%	\$20.50	\$20.50	\$21.33	\$23.17	\$23.17
B	23.2%	22.8%	22.4%	21.7%	21.7%	\$16.31	\$17.04	\$17.54	\$17.81	\$18.71
C	16.0%	21.2%	20.3%	19.8%	19.1%	\$15.50	\$17.20	\$16.50	\$17.08	\$17.08
Desert Ridge / Paradise Valley	17.3%	15.1%	14.9%	14.5%	12.4%	\$19.56	\$19.68	\$19.28	\$19.92	\$20.15
Desert Ridge	23.6%	16.6%	14.1%	10.7%	4.8%	\$26.67	\$27.67	\$27.50	\$27.79	\$27.79
A	20.3%	12.7%	10.4%	6.6%	4.2%	\$27.00	\$28.00	\$27.80	\$28.08	\$28.08
B	35.9%	34.9%	31.4%	31.4%	7.5%	\$25.00	\$26.00	\$26.00	\$26.00	\$26.00
C	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Paradise Valley	15.2%	14.5%	15.3%	16.1%	15.6%	\$17.53	\$17.50	\$17.31	\$17.63	\$18.01
A	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	18.6%	16.9%	18.1%	19.1%	18.2%	\$18.92	\$18.45	\$18.04	\$18.33	\$18.85
C	8.8%	10.0%	10.0%	10.3%	10.7%	\$14.75	\$14.96	\$15.77	\$16.23	\$16.23
NW Valley	22.4%	20.3%	18.5%	19.0%	18.2%	\$19.69	\$19.66	\$19.50	\$19.18	\$18.86
Arrowhead	21.7%	20.1%	17.5%	17.8%	16.6%	\$18.52	\$18.54	\$18.25	\$18.28	\$19.20
A	100.0%	100.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	21.5%	19.3%	18.4%	18.7%	17.4%	\$19.99	\$19.93	\$19.60	\$19.63	\$20.65
C	11.8%	13.3%	15.3%	15.6%	14.9%	\$10.17	\$10.17	\$10.17	\$10.17	\$9.00
Glendale 101	21.8%	18.1%	16.9%	16.7%	16.6%	\$21.11	\$21.07	\$21.07	\$20.39	\$16.61
A	26.8%	12.6%	8.1%	8.1%	6.8%	\$23.50	\$22.75	\$22.75	\$23.00	\$23.00
B	17.0%	17.0%	17.0%	17.0%	17.4%	\$23.39	\$23.39	\$23.39	\$22.34	\$17.69
C	29.7%	30.0%	30.0%	28.7%	28.7%	\$10.75	\$11.25	\$11.25	\$11.25	\$11.25
Loop 303 / Surprise	25.6%	24.9%	24.3%	26.5%	25.7%	\$22.33	\$22.33	\$24.00	\$21.00	\$24.00
A	18.2%	18.2%	18.2%	20.8%	15.0%	\$24.00	\$24.00	\$24.00	\$24.00	\$24.00
B	33.3%	32.1%	30.0%	33.0%	33.0%	\$21.50	\$21.50	\$24.00	\$19.50	\$24.00
C	0.0%	0.0%	6.0%	6.0%	6.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

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	Direct Vacancy Rate %					Asking Direct Lease Rate (FSG)				
	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3
Phoenix I-17 Corridor	24.6%	25.3%	23.8%	23.7%	23.2%	\$16.44	\$16.53	\$16.33	\$16.49	\$16.45
Deer Valley	23.0%	24.1%	22.3%	21.5%	20.9%	\$18.84	\$19.38	\$19.62	\$20.41	\$20.94
A	28.1%	31.5%	26.6%	18.6%	18.1%	\$20.38	\$20.38	\$20.38	\$20.31	\$20.31
B	23.4%	24.4%	22.7%	22.2%	21.7%	\$18.75	\$19.46	\$19.89	\$20.70	\$21.08
C	1.6%	2.0%	2.0%	1.5%	2.1%	\$15.00	\$16.35	\$15.14	\$15.00	\$0.00
Northwest Phoenix / Metrocenter	26.3%	26.8%	25.6%	26.2%	25.8%	\$15.32	\$15.16	\$14.85	\$14.83	\$14.84
A	20.4%	20.4%	20.4%	19.4%	19.4%	\$20.50	\$20.50	\$20.50	\$19.00	\$19.00
B	25.8%	26.7%	26.1%	27.5%	26.9%	\$16.78	\$16.59	\$15.88	\$16.00	\$15.87
C	30.3%	29.2%	25.5%	24.1%	24.1%	\$12.89	\$12.61	\$12.71	\$12.87	\$13.12
Scottsdale	16.9%	16.1%	15.8%	15.5%	16.0%	\$21.03	\$21.51	\$21.75	\$21.73	\$21.83
Central Scottsdale	12.7%	11.2%	11.2%	10.8%	13.3%	\$20.42	\$20.13	\$20.26	\$20.51	\$20.55
A	14.4%	12.3%	12.0%	10.9%	11.3%	\$23.31	\$23.88	\$23.89	\$23.94	\$23.69
B	11.9%	10.2%	10.3%	10.1%	13.1%	\$20.64	\$20.14	\$20.23	\$20.44	\$20.57
C	21.9%	29.2%	29.2%	28.0%	30.3%	\$15.24	\$15.81	\$16.34	\$16.99	\$17.30
Scottsdale Airpark	20.0%	19.2%	19.1%	18.7%	18.5%	\$21.96	\$22.72	\$22.84	\$22.62	\$22.48
A	24.1%	23.6%	22.6%	22.5%	24.3%	\$25.80	\$27.43	\$27.94	\$27.39	\$28.13
B	19.1%	18.1%	18.3%	17.8%	16.8%	\$21.28	\$21.89	\$21.89	\$21.66	\$21.36
C	12.3%	12.3%	12.6%	11.8%	12.8%	\$19.00	\$15.67	\$17.06	\$21.13	\$21.13
South Scottsdale	14.9%	14.9%	14.0%	13.9%	13.7%	\$19.48	\$20.11	\$20.99	\$21.07	\$21.68
A	7.6%	7.0%	5.7%	4.6%	4.6%	\$24.82	\$26.59	\$27.69	\$27.71	\$28.00
B	21.9%	22.4%	21.6%	22.3%	22.2%	\$18.55	\$18.90	\$20.07	\$20.61	\$20.65
C	15.3%	15.2%	15.7%	15.8%	14.5%	\$17.01	\$16.07	\$15.45	\$15.46	\$16.83
SE Valley	17.6%	17.0%	17.8%	17.6%	17.9%	\$18.26	\$18.29	\$18.42	\$18.79	\$18.72
Airport Area	19.5%	18.6%	18.8%	18.3%	19.6%	\$19.18	\$19.70	\$20.40	\$21.20	\$20.93
A	5.7%	4.8%	4.8%	4.8%	5.2%	\$21.48	\$23.15	\$23.15	\$23.15	\$23.48
B	20.8%	20.1%	20.4%	19.7%	21.2%	\$20.33	\$20.38	\$21.04	\$21.23	\$21.14
C	18.1%	14.6%	13.3%	13.6%	13.8%	\$11.82	\$10.84	\$10.59	\$14.00	\$13.52
Chandler	14.5%	15.2%	21.8%	22.3%	22.5%	\$20.42	\$20.52	\$20.12	\$20.84	\$20.70
A	8.7%	7.8%	31.9%	32.4%	27.3%	\$25.17	\$25.50	\$24.83	\$29.00	\$29.00
B	16.0%	17.2%	20.4%	20.7%	22.4%	\$19.71	\$20.11	\$19.90	\$19.96	\$19.38
C	0.0%	0.0%	0.8%	1.4%	0.0%	\$0.00	\$0.00	\$12.00	\$12.00	\$0.00
Downtown Mesa	17.4%	18.2%	11.5%	10.4%	11.0%	\$14.48	\$13.08	\$13.08	\$14.00	\$14.00
A	0.0%	0.0%	0.7%	0.7%	0.7%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	13.2%	13.7%	4.4%	5.3%	6.5%	\$17.00	\$16.17	\$16.17	\$17.00	\$17.00
C	24.5%	25.7%	27.8%	23.0%	23.0%	\$11.95	\$10.00	\$10.00	\$11.00	\$11.00
East Mesa	17.9%	15.0%	15.0%	12.1%	12.3%	\$14.11	\$12.43	\$12.66	\$14.12	\$13.85
A	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	17.9%	14.5%	15.2%	12.2%	12.4%	\$16.80	\$15.25	\$15.20	\$16.59	\$15.49
C	17.9%	16.6%	13.9%	12.0%	12.0%	\$10.74	\$10.54	\$10.54	\$10.65	\$10.99
South Tempe / Ahwatukee	19.6%	18.5%	17.8%	18.0%	17.7%	\$19.17	\$19.31	\$19.78	\$19.41	\$19.21
A	25.0%	25.0%	25.0%	16.4%	16.4%	\$23.13	\$23.13	\$23.50	\$23.50	\$23.50
B	19.7%	18.5%	17.9%	18.4%	18.1%	\$19.26	\$19.57	\$19.89	\$19.48	\$19.24
C	13.3%	11.9%	5.6%	5.6%	3.2%	\$16.00	\$15.50	\$16.25	\$16.25	\$14.00
Superstition Corridor	23.5%	24.4%	24.7%	25.1%	23.5%	\$16.06	\$16.65	\$16.35	\$16.46	\$16.52
A	49.5%	60.1%	55.2%	55.2%	44.6%	\$19.99	\$19.98	\$20.33	\$22.33	\$22.33
B	19.6%	18.8%	20.2%	20.8%	20.7%	\$16.08	\$16.77	\$16.38	\$16.46	\$16.60
C	15.4%	15.7%	16.0%	15.5%	15.6%	\$13.58	\$14.23	\$13.11	\$12.89	\$12.39

Historical Snapshot continues to next page...

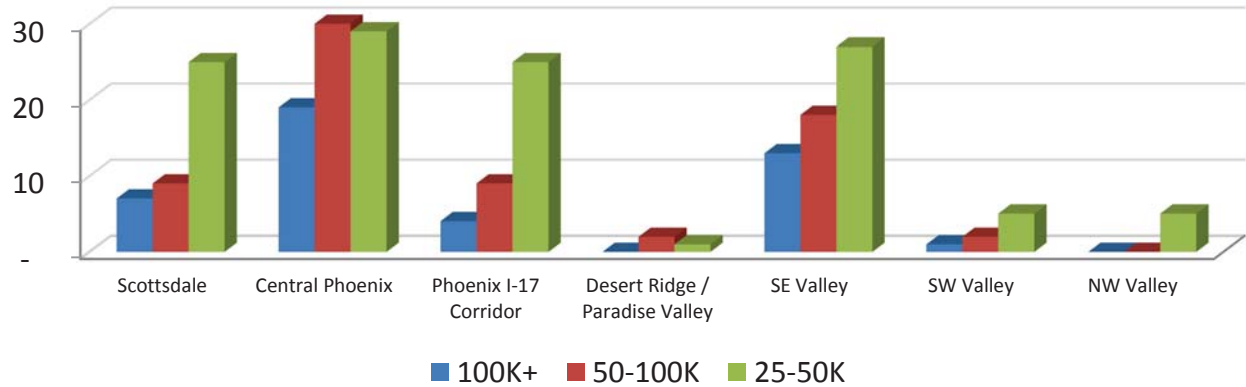
	Direct Vacancy Rate %					Asking Direct Lease Rate (FSG)				
	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3
Tempe	9.6%	8.7%	8.5%	8.5%	8.4%	\$18.44	\$18.42	\$18.81	\$19.00	\$19.30
A	11.4%	11.0%	11.2%	11.2%	10.8%	\$30.20	\$29.50	\$29.50	\$29.50	\$31.90
B	7.6%	6.4%	6.0%	6.0%	6.1%	\$16.09	\$17.07	\$17.28	\$17.30	\$16.65
C	13.1%	10.1%	10.0%	10.1%	9.0%	\$15.67	\$14.67	\$15.35	\$17.02	\$16.21
Williams Gateway / Loop 202	24.0%	22.3%	20.9%	18.4%	17.3%	\$22.42	\$21.32	\$20.46	\$21.00	\$21.00
A	21.8%	21.8%	21.8%	21.8%	21.8%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	24.0%	22.4%	20.9%	19.3%	18.2%	\$22.42	\$21.32	\$20.46	\$21.00	\$21.00
C	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SW Valley	25.5%	26.1%	25.1%	25.1%	24.8%	\$16.50	\$16.81	\$16.94	\$17.41	\$16.88
Southwest Phoenix	29.2%	30.0%	29.2%	29.5%	29.2%	\$14.00	\$13.53	\$13.60	\$14.14	\$14.59
A	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	30.6%	31.6%	29.4%	29.7%	29.1%	\$14.74	\$14.95	\$14.95	\$15.89	\$16.20
C	24.4%	25.0%	28.8%	29.1%	29.5%	\$11.30	\$9.98	\$10.23	\$10.98	\$11.38
West I-10	13.4%	13.2%	11.7%	10.9%	10.5%	\$22.33	\$22.56	\$22.78	\$23.96	\$25.44
A	19.5%	6.8%	6.8%	7.9%	7.9%	\$24.00	\$26.00	\$26.00	\$26.00	\$0.00
B	14.4%	14.3%	12.3%	11.5%	11.0%	\$22.00	\$22.07	\$22.32	\$23.63	\$25.44
C	4.9%	11.9%	11.9%	9.9%	9.9%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Grand Total	19.5%	19.0%	18.9%	18.5%	18.5%	\$19.02	\$19.21	\$19.36	\$19.56	\$19.77



Largest Changes in Occupancy

Property Name	SF Occupied or Vacated	Company Name	Submarket	Building Class
Liberty Center at Rio Salado Bldg 1	77,919	Centene	Airport Area	B
Mesa Financial Plaza	49,164	Arizona Department of Child Safety, Amazing APP	Superstition Corridor	A
Elliot Corporate Center I	43,671	Triwest Healthcare Alliance	South Tempe / Ahwatukee	B
Corporate Center	39,436	Vanguard Health	Northwest Phoenix / Metrocenter	B
Southbank Business Park	38,765	automätik	Airport Area	B
Chandler Forum	38,121	Americredit Financial Services, Inc.	Chandler	A
Desert Ridge Corporate Center Phase II	35,034	Republic Services	Desert Ridge	B
The Reserve at San Tan Bldg 2	19,015	HPOne	Chandler	B
Former DHL Operations Center	(92,050)	DHL	Tempe	B
1515 Corporate Center	(228,000)	Bank of America Home Loans Military Assistance	Airport Area	B

Largest Blocks of Available Space

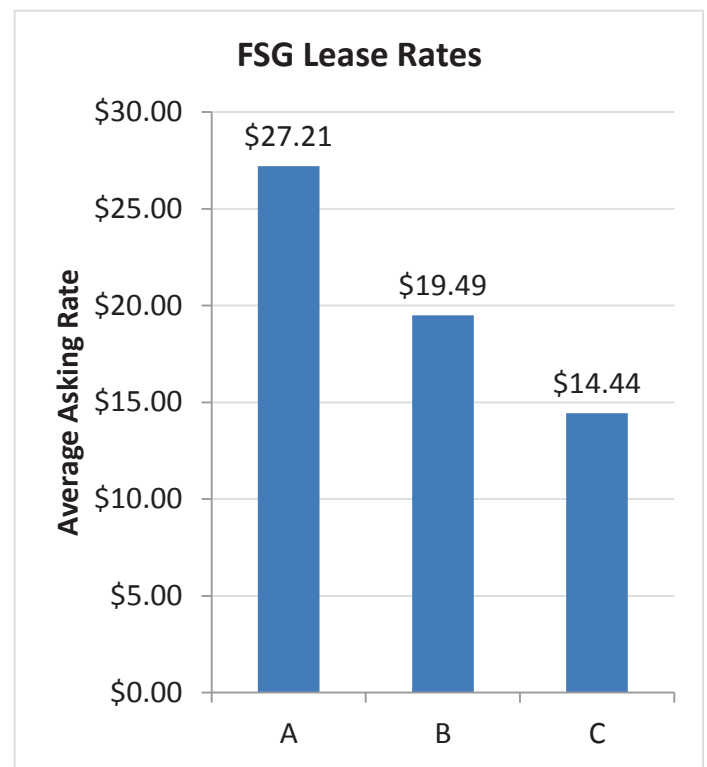
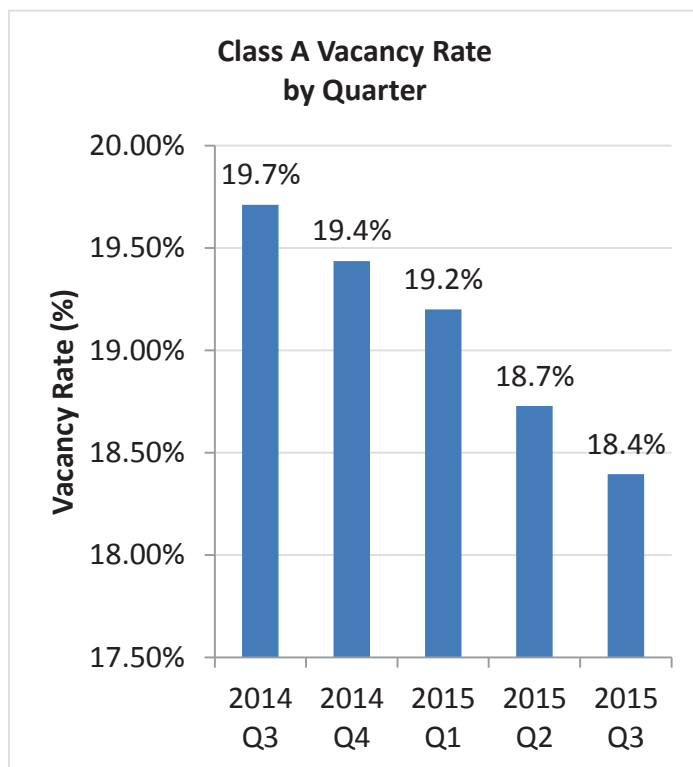
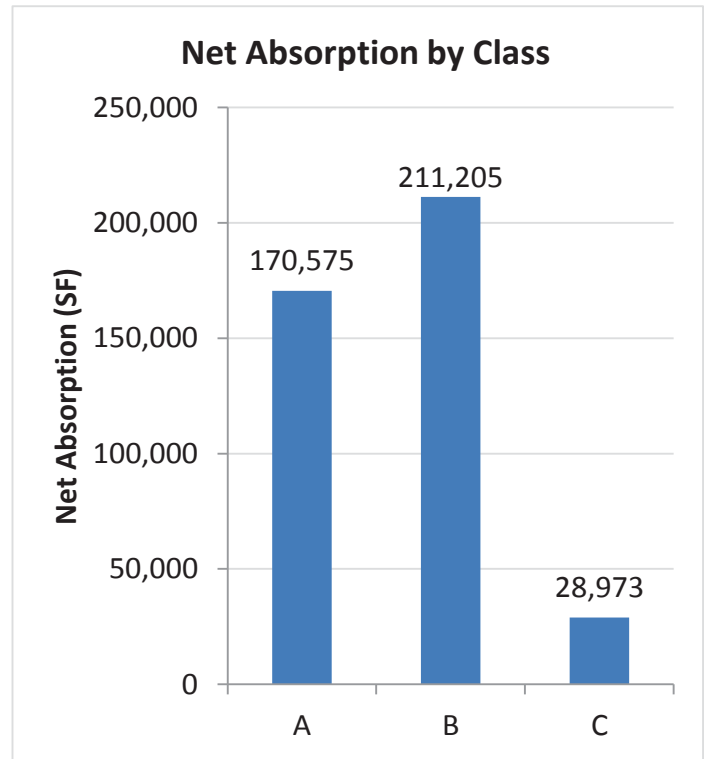
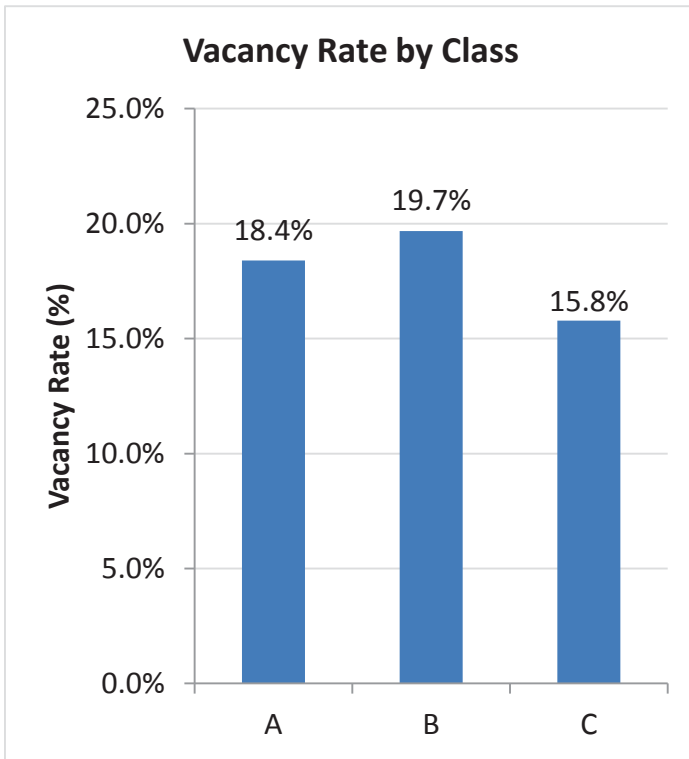


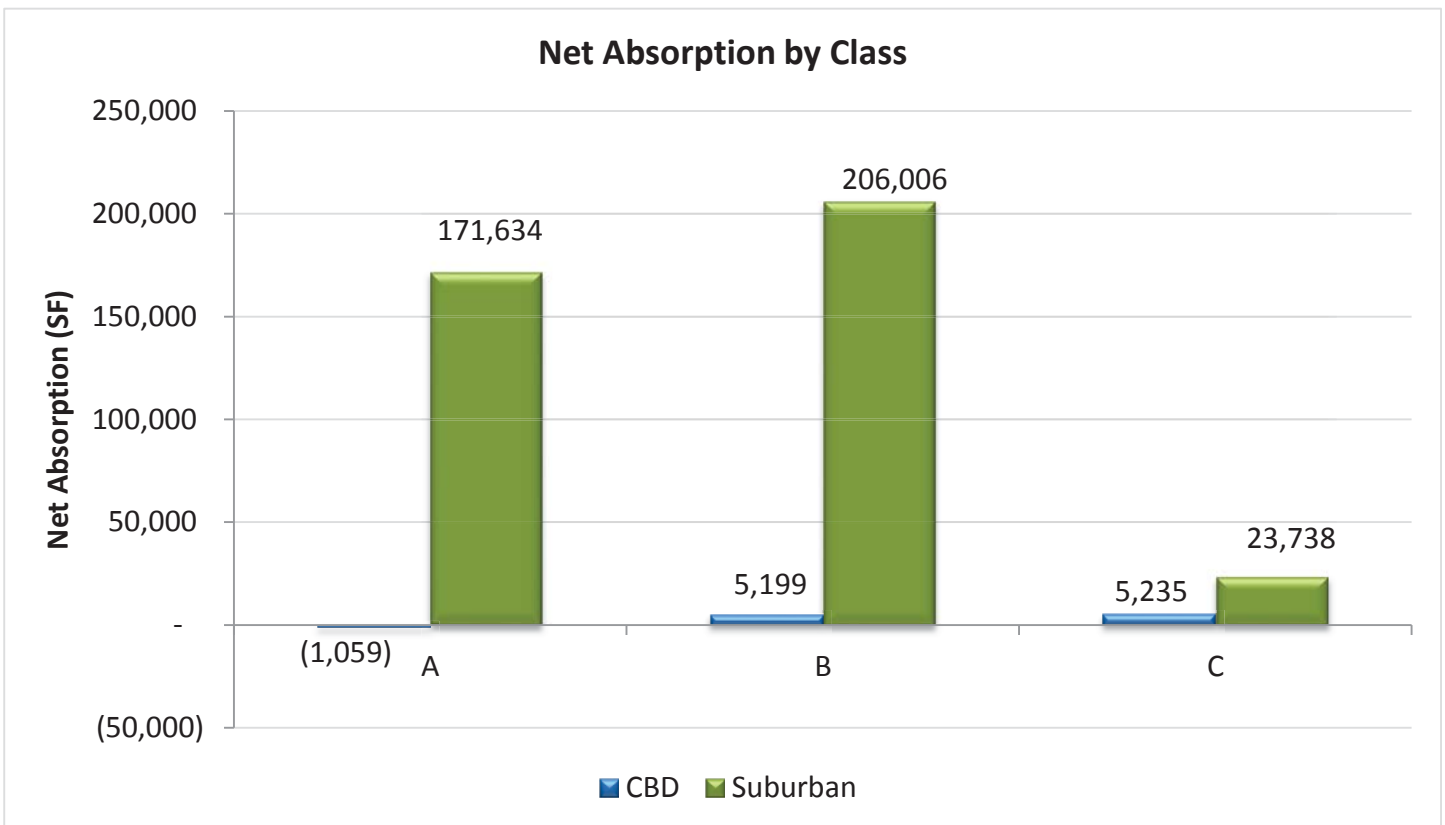
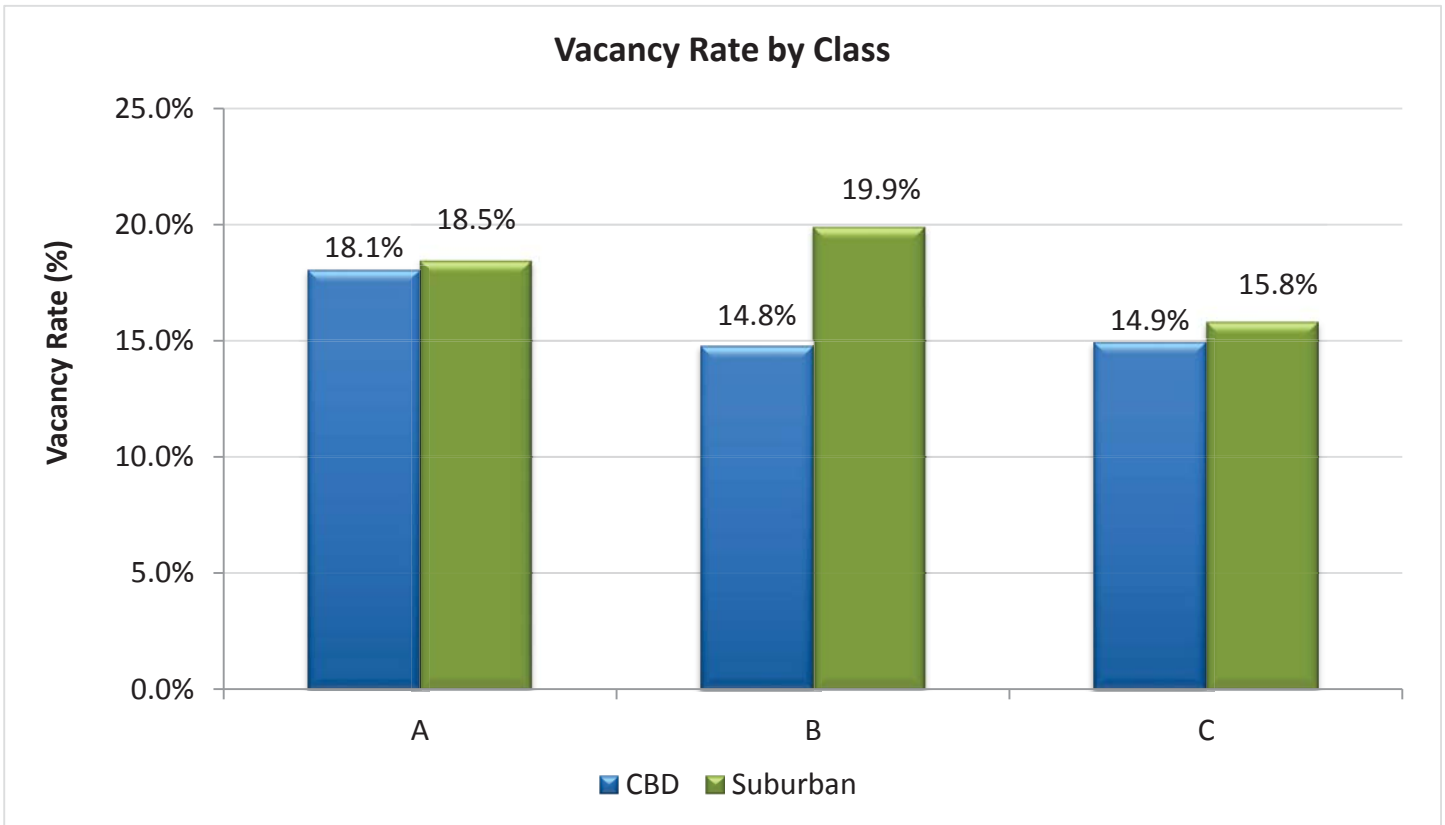
Available Space Historical Comparisons

Quarter	100K+	50-100K	25-50K
2014 Q3	44	74	128
2014 Q4	41	78	122
2015 Q1	40	82	124
2015 Q2	42	81	127
2015 Q3	44	70	117

Notable Transactions

Property Name	SF Leased or Sold	Company Name	Submarket	Building Class	Type
The Phoenix Plaza Towers I & II	242,468 (Occupy Q4)	Banner Health	Midtown	A	Lease
Park Place Central Bldg 4	100,622 (Occupy Q1 17)	Infusion Software, Inc.	Chandler	B	Lease
Tempe Commerce Park	75,068 (Occupy Q4)	Consumer Cellular	South Tempe /Ahwatukee	B	Lease
827 W Grove Ave	69,561 (Occupy Q4)	QBE Insurance	Superstition Corridor	B	Lease
Two Renaissance Square	60,000 (Occupy Q2 16)	Jones, Skelton & Hochuli	Downtown	A	Lease
Biltmore Financial Center	650,082	ViaWest Group	Camelback Corridor	A	Sale
Raintree Corporate Center Phase IV	349,000	Equus Capital Partners	Scottsdale Airpark	B	Sale
Squaw Peak Corporate Center	287,394	Regent Properties	Piestewa Peak	A	Sale
Airport Technology Center	197,886	The Blackstone Group	Airport Area	B	Sale
Chandler Forum	149,863	Tryperion Partners	Chandler	A	Sale





This information has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy. **For more information, please contact :**

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COMMERCIAL REAL ESTATE INFORMATION