

Robust Tenant Demand Lowers Availability

▼ 4.4%

Availability Rate

▲ 642K

SF Net Absorption (000s)

▼ 370K

SF Completed (000s)

▼ \$20.43

Avg. Asking Rent (NNN)

Note: Arrows indicate change from previous quarter.

Source: CBRE Econometric Advisors, Q3 2026.

MARKET HIGHLIGHTS

— The Phoenix retail market closed Q3 2026 with an availability rate of 4.4%. This represented a -.1% decrease from Q2 2026.

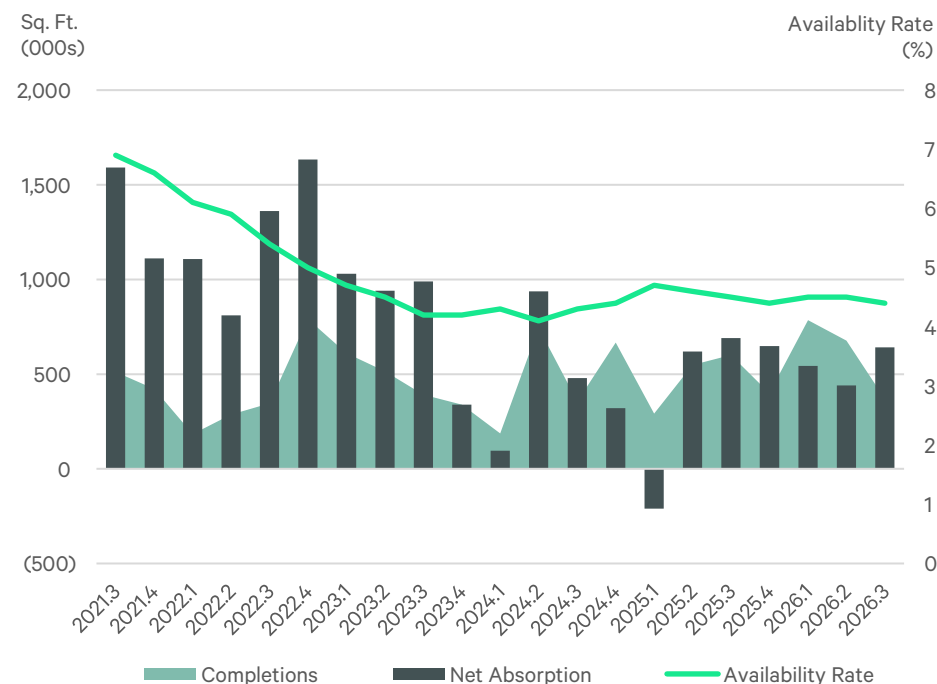
— The total retail sq. ft. absorbed in Q3 2026 was positive 642,000 sq. ft., compared to positive 441,000 sq. ft. in Q2 2026.

— There was 370,000 sq. ft. delivered in Q3 2026, compared to 677,000 sq. ft. in Q2 2026.

— The overall average net asking rent for retail in Phoenix ended Q3 2026 at \$20.43, representing a -\$0.21 change from Q2 2026.

— The total retail investment sales in Q3 2026 amounted to \$293. million in total volume, compared to \$457.7 million in Q2 2026.

FIGURE 1: Completions, Net Absorption, and Availability Rate



Source: CBRE Econometric Advisors, Q3 2026.

Market Overview

FIGURE 2: Market Statistics by Product Type

Market	Inventory (SF, 000s)	Availability Rate (%)	Net Absorption (SF 000s)	Completions (SF 000s)	Net Rent
Lifestyle & Mall	13,383	2.6	215	-	\$45.00
Neighborhood, Community & Strip	104,422	6.0	154	132	\$18.76
Power	32,874	3.4	190	176	\$26.58
Street, Freestanding, Other	76,092	3.0	83	62	-
Total Market	226,771	4.4	642	370	\$20.43

Source: CBRE Econometric Advisors, Q3 2026.

FIGURE 4: Net Absorption by Center Type

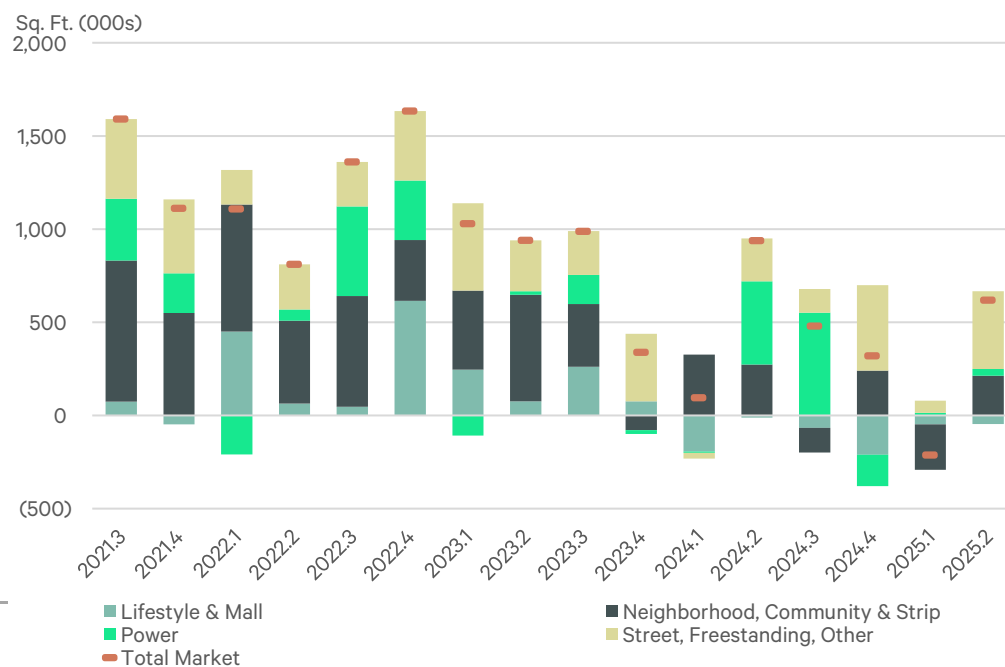
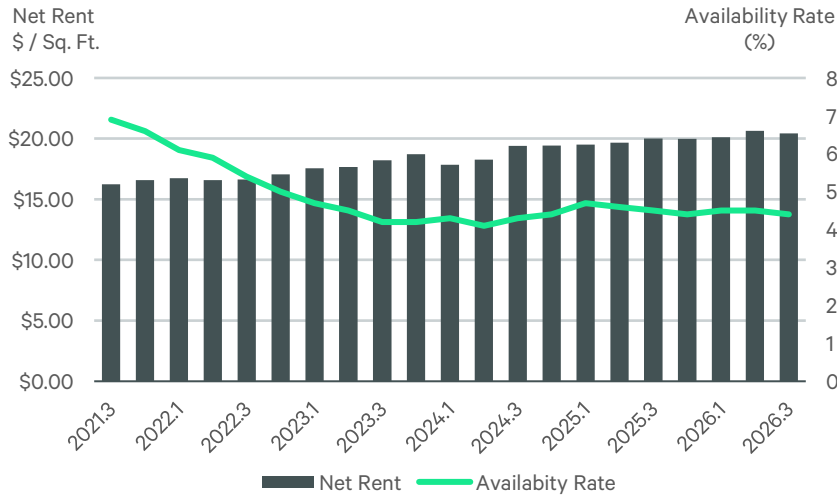


FIGURE 3: Market Statistics by Submarket

Market	Inventory (SF 000s)	Availability Rate (%)	Net Absorption (SF 000s)	Completions (SF 000s)	Net Rent
Total Market	226,771	4.4	642	370	\$20.43
Apache Junction	9,246	2.7	98	30	\$20.88
East Phoenix	7,004	4.2	22	-	\$33.83
Maricopa	1,264	1.4	(2)	-	
Mesa / Chandler / Gilbert	53,237	5.6	38	110	\$19.32
North Bell Road	21,740	4.6	48	6	\$19.90
North Scottsdale	19,659	4.1	7	-	\$29.45
Northwest Phoenix	16,493	5.5	94	1	\$16.57
Outlying Phoenix	1,929	1.2	3	-	\$13.67
Paradise Valley	11,413	5.8	(15)	-	\$24.91
Scottsdale	7,642	3.1	3	-	\$28.47
Sun City	17,683	3.1	(10)	2	\$19.37
Tempe / Ahwatukee	24,743	4.3	86	14	\$23.06
West / Southwest Phoenix	34,718	3.5	270	207	\$17.51

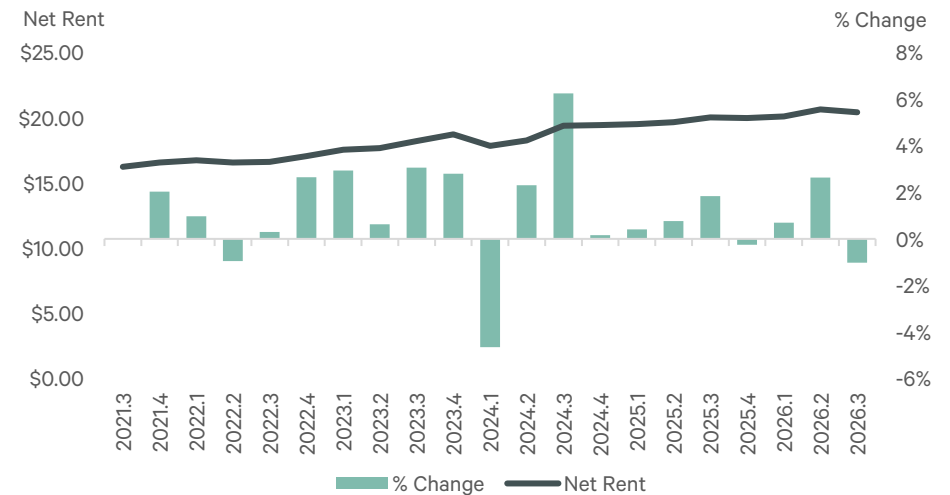
Asking Rents & Availability

FIGURE 5: Net Asking Rent and Availability Rate



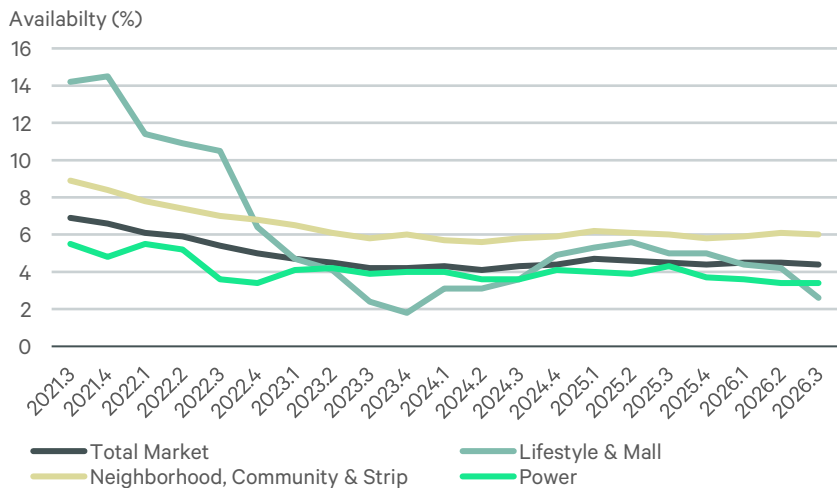
Source: CBRE Econometric Advisors, Q3 2026.

FIGURE 6: Net Rent and % Change



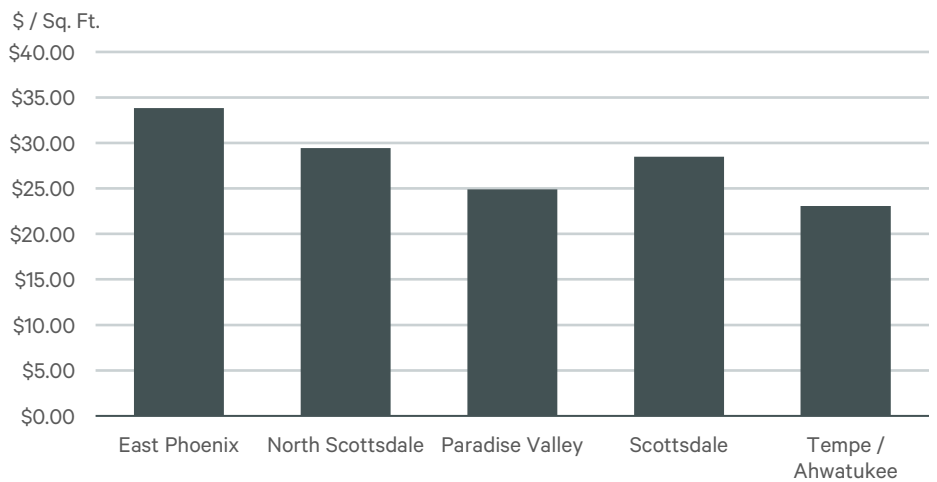
Source: CBRE Econometric Advisors, Q3 2026.

FIGURE 7: Availability by Center Type



Source: CBRE Econometric Advisors, Q3 2026.

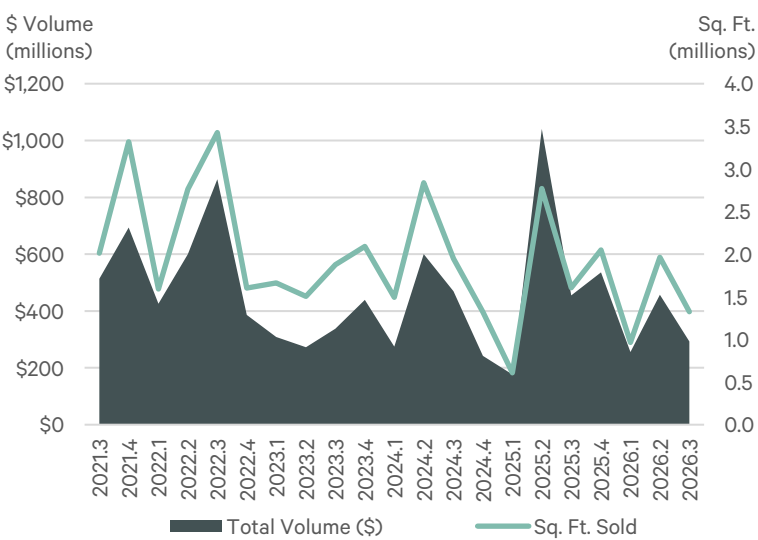
FIGURE 8: Top 5 Submarket by Net Rent



Source: CBRE Econometric Advisors, Q3 2026.

Investment Sales

FIGURE 9: Retail Investment Sale Volume



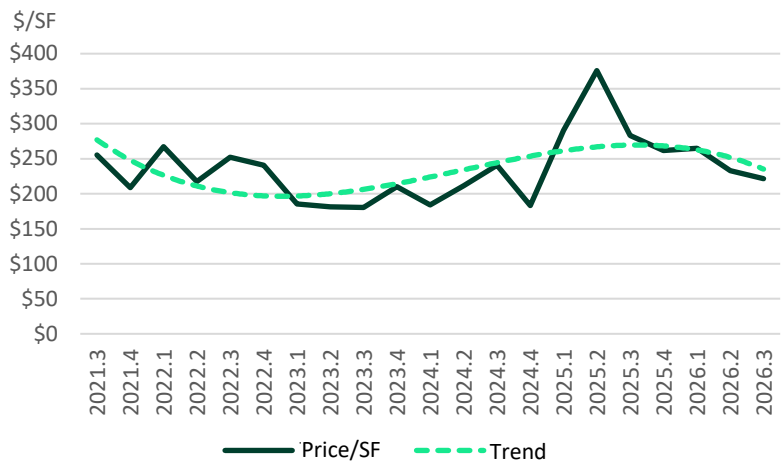
Source: MSCI Real Capital Analytics, Q3 2026.

FIGURE 10: Q3 2026 Sale Transactions

Buyer	Property Name	City	Building SF	Sale Price	Price / SF
Cohen & Steers (REIT)	Grand Canyon Crossing	Phoenix	288,190	\$59,750,000	\$207
Joshua Paul	fmr Macy's	Mesa	155,254	\$5,000,000	\$32
Costco	Costco Business Center	Phoenix	155,100	\$14,189,292	\$91
Primestor Dev Inc	7535 W Thomas Road	Phoenix	144,731	\$6,350,000	\$44
Primestor Dev Inc	26 East Baseline Road	Phoenix	28,992	\$7,500,000	\$259
Arileus Capital	Mesa Commons	Mesa	136,549	\$19,500,000	\$143
Tiffany West LLC	Planet Fitness	Mesa	50,796	\$3,515,000	\$69
Huber Family Living Trust	1207 North Country Club Drive	Mesa	28,204	\$4,875,000	\$173
Luke 27th Avenue LLC	2728 West Camelback Road	Phoenix	27,232	\$6,575,000	\$241
Shoup Management	Chandler Marketplace	Chandler	22,871	\$5,575,000	\$244
Dale L Boehner	34350 North Cave Creek Road	Cave Creek	21,590	\$6,900,000	\$320
Curblin Properties	Shops At Asante Trails	Surprise	21,000	\$17,136,000	\$816

Source: MSCI Real Capital Analytics, Q3 2026.

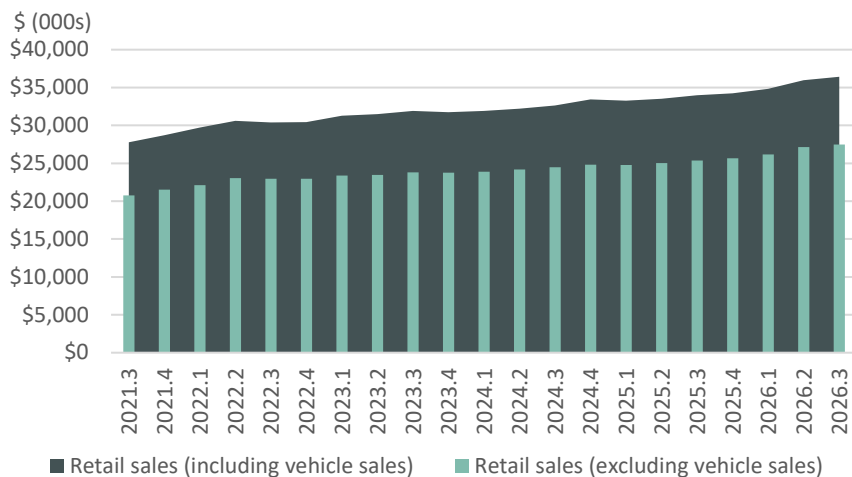
FIGURE 11: Retail Investment Sale Price Per Sq. Ft.



Source: MSCI Real Capital Analytics, Q3 2026.

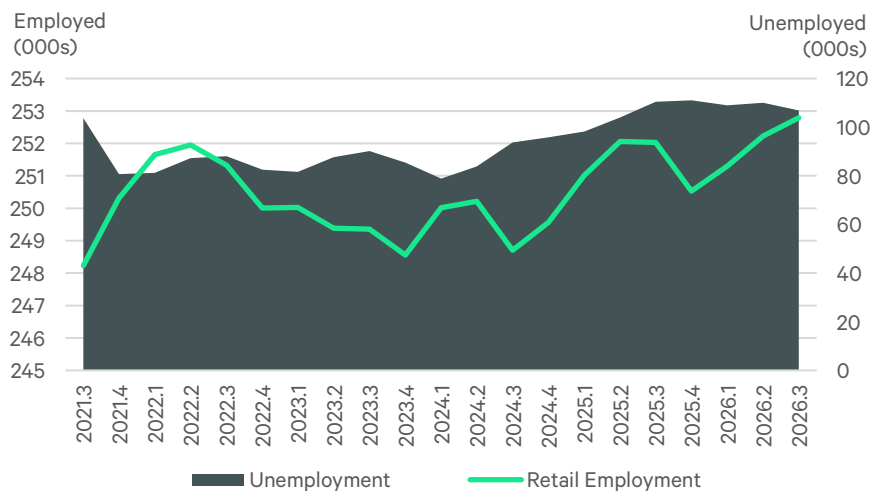
Economic Overview

FIGURE 12: Total Retail Sales



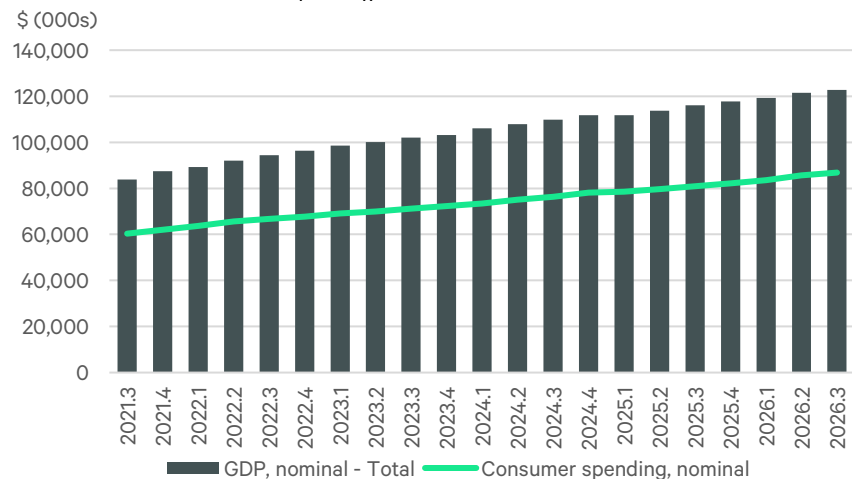
Source: Oxford Economics, Q3 2026.

FIGURE 13: Retail Employment vs. Unemployment



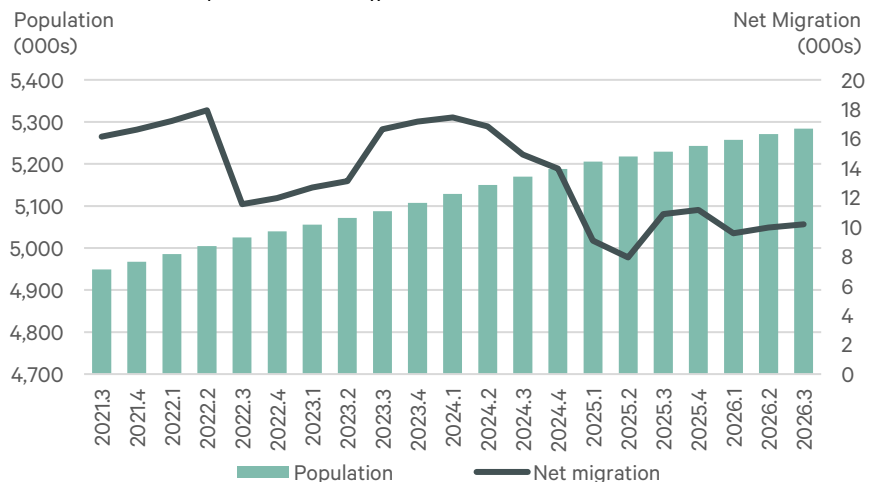
Source: Oxford Economics, Q3 2026.

FIGURE 14: GDP & Consumer Spending



Source: Oxford Economics, Q3 2026.

FIGURE 15: Total Population & Net Migration



Source: Oxford Economics, Q3 2026.

Contacts

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Retail Definitions

Neighborhood, community and strip centers are groupings of buildings where there is most often an anchor property (except strip). Neighborhood properties are the largest ranging from 125,000 to 400,000 sq. ft., followed by community at 30,000 to 125,000 sq. ft., and strip with 30,000 or less sq. ft.

Lifestyle are upscale national-chain specialty stores with dining and entertainment in an outdoor setting. Lifestyle centers range from 150,000 to 500,000 sq. ft. Malls, including both regional and super regional malls, can provide a wide range of goods and services. Regional malls are built around full-line department stores and usually range over 300,000 sq. ft. Super regional malls are usually over 750,000 sq. ft. with more department stores.

Power Centers are category-dominant anchors, including discount department stores, off-price stores, and wholesale clubs, with only a few small tenants. They range from 250,000 to 600,000 sq. ft. and have multiple anchors.

Freestanding Retail are single-tenant occupied retail buildings. All other variables may vary.

Market Definition

The Phoenix market consists of Maricopa County, Pinal County.

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