

SCOTTSDALE

# RETAIL MARKET REPORT

**LEVROSE**  
COMMERCIAL REAL ESTATE

TCN  
WORLDWIDE  
REAL ESTATE SERVICES



## Third Quarter 2015

### RETAIL OVERVIEW

The Scottsdale retail market experienced a slight improvement in market conditions in the third quarter 2015. The vacancy rate went from 7.5% in the previous quarter to 7.4% in the current quarter. Net absorption was 130,079 square feet, and vacant space decreased by 2,160 square feet. Quoted rental rates increased from the second quarter levels, ending the third quarter at \$14.51 per square foot per year. A total of 13 retail buildings were delivered to market with 449,368 square feet of retail space under construction at the end of the quarter.

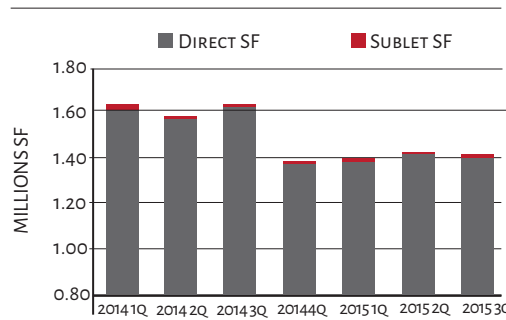
#### MARKET INDICATOR SCOTTSDALE

Indicator	Q3 2015	Projection
VACANCY RATE	↓	↓
NET ABSORPTION	↑	↑
AVG. LEASE RATE	↑	↑

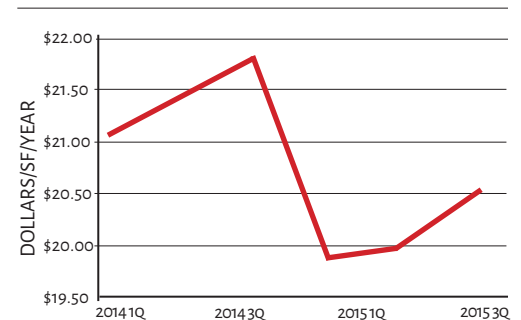
Avg. Effective Rate	Q3 2015	Change
DOWNTOWN PHOENIX	\$13.76	↓
EAST VALLEY	\$14.10	↑
NORTH PHOENIX	\$12.95	↑
SCOTTSDALE	\$20.53	↑
WEST PHOENIX	\$13.37	↑
TOTAL	\$14.51	↑

PERIOD	TOTAL SF	VACANCY SF	VACANCY %	NET ABSORPTION
2011 4Q	19,681,322	2,468,575	12.5%	121,117
2012 4Q	19,520,675	1,996,443	10.2%	173,750
2013 4Q	19,558,480	1,899,205	9.7%	1,503
2014 4Q	19,275,126	1,337,229	6.9%	179,268
2015 1Q	19,288,526	1,409,245	7.3%	(58,616)
2015 2Q	19,288,526	1,447,323	7.5%	(38,078)
2015 3Q	19,426,908	1,445,163	7.4%	130,079

Vacant Space (Historical Analysis, All Classes)



Quoted Rental Rates (Historical Analysis, All Classes)



### ABOUT LEVROSE/TCN WORLDWIDE

Since 1992, LevRose Real Estate has been a full service real estate company servicing Scottsdale and the Greater Phoenix area. We provide services for commercial leasing, sales and commercial property management. LevRose handles the leasing, sales and/or management of over 200 commercial properties encompassing over three million square feet of office and retail space within the Greater Phoenix and Scottsdale areas. Our team is dedicated to providing our clients with the highest level of service through industry knowledge of the marketplace. Our goal is to represent you, our client, in a professional manner while maintaining high expectations and standards for our performance.

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MAIN CONTRIBUTING SOURCES: COSTAR

This information has been secured from sources believed to be reliable, but no representations or warranties are made, expressed or implied, as to the accuracy of the information. References to square footage are approximate.