

**Lincoln**

# Phoenix Office Market

*Q1 2025*

Lincoln Property Company





### Lincoln Spotlight

#### SAP Reimagines at The Grand

After renewing its lease at the Grand last year, SAP is returning some of its underutilized space. The group has engaged architects to revamp the layout of their suite.

As a result, 8,200 SF of prime Class A plug and play office space is available. Check out the project below:

[The Grand](#)   [Space Plan](#)



#### Kimley-Horn Transforms Their Space at UNION

After signing its lease in July 2024, Kimley-Horn continues to work through its tenant improvements. Once complete, their employees will have access to a state-of-the-art space, along with the building's brand new amenities.

Kimley-Horn is set to occupy their space this summer.



### New Deliveries

#### UNION

Spec suites now available at UNION!

- Suite 101 – 13,867 SF
- Suite 108 – 5,882 SF

Check out our new amenity wing, "The Clubhouse", which includes: Golf Simulator, Tenant Lounge, and Conference Facility.

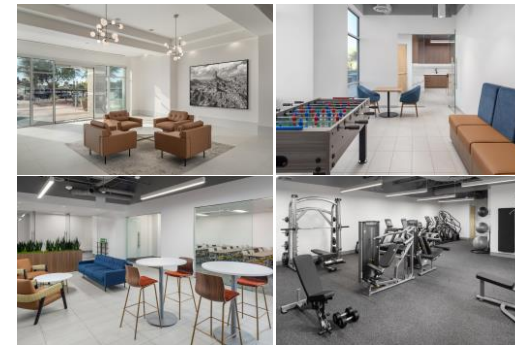
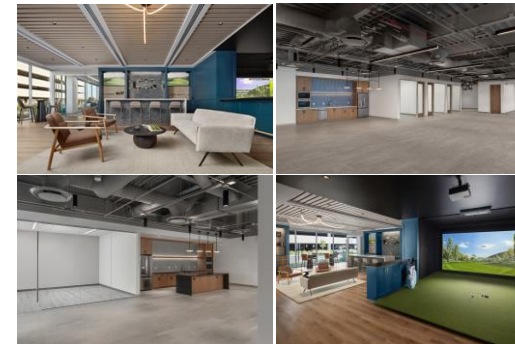
#### Waypoint Gets a Stylish Upgrade

Renovations are complete at Waypoint.

Take a look at our recent improvements:

- Renovated Lobby
- Conference Facility
- Fitness Center
- Tenant Lounge
- Indoor/Outdoor Break Area

Click images for a virtual tour:



### Phoenix Market Snapshot

**\$30.27**

Average Asking Rate

**312K**

SF Under Construction

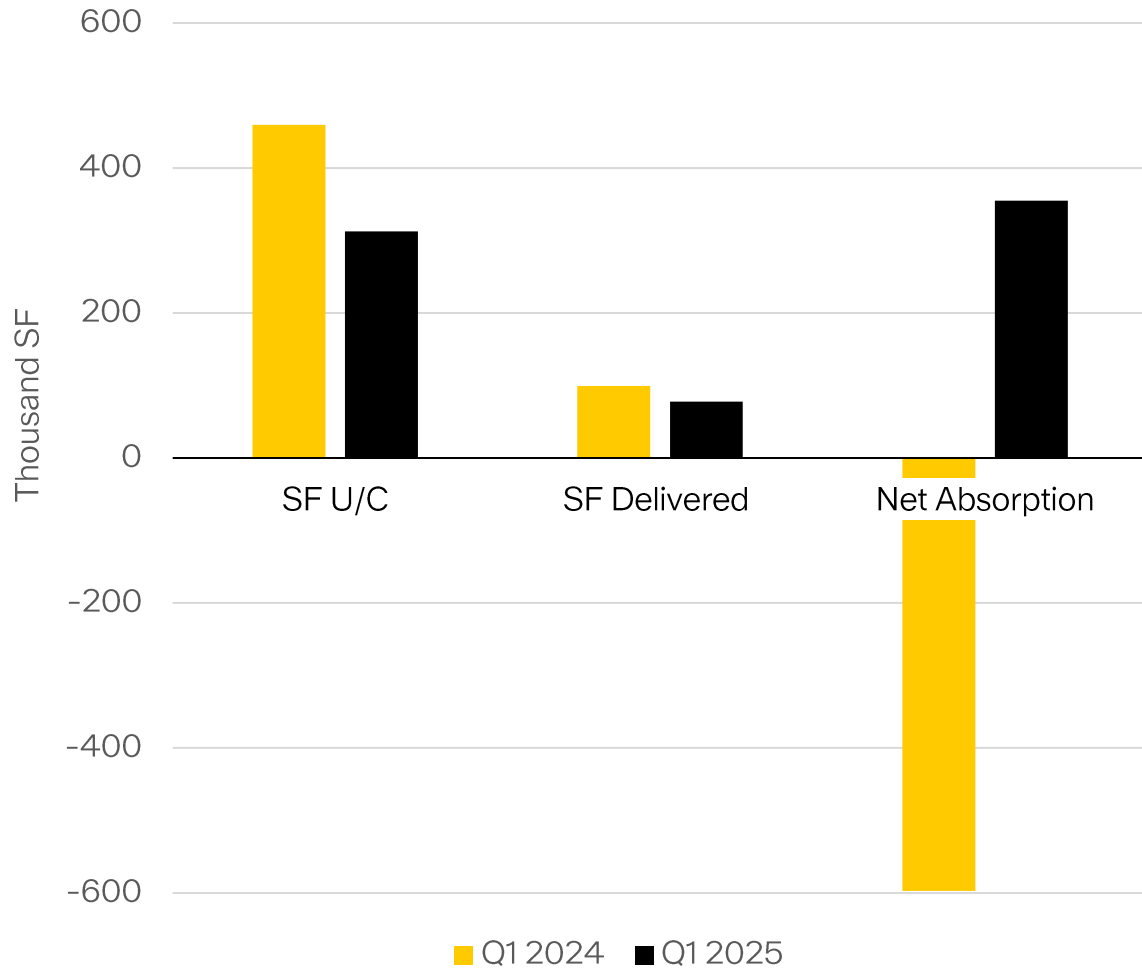
**355K**

SF Net Absorption Q1

**22.0%**

Vacancy Rate






# Historical Comparison








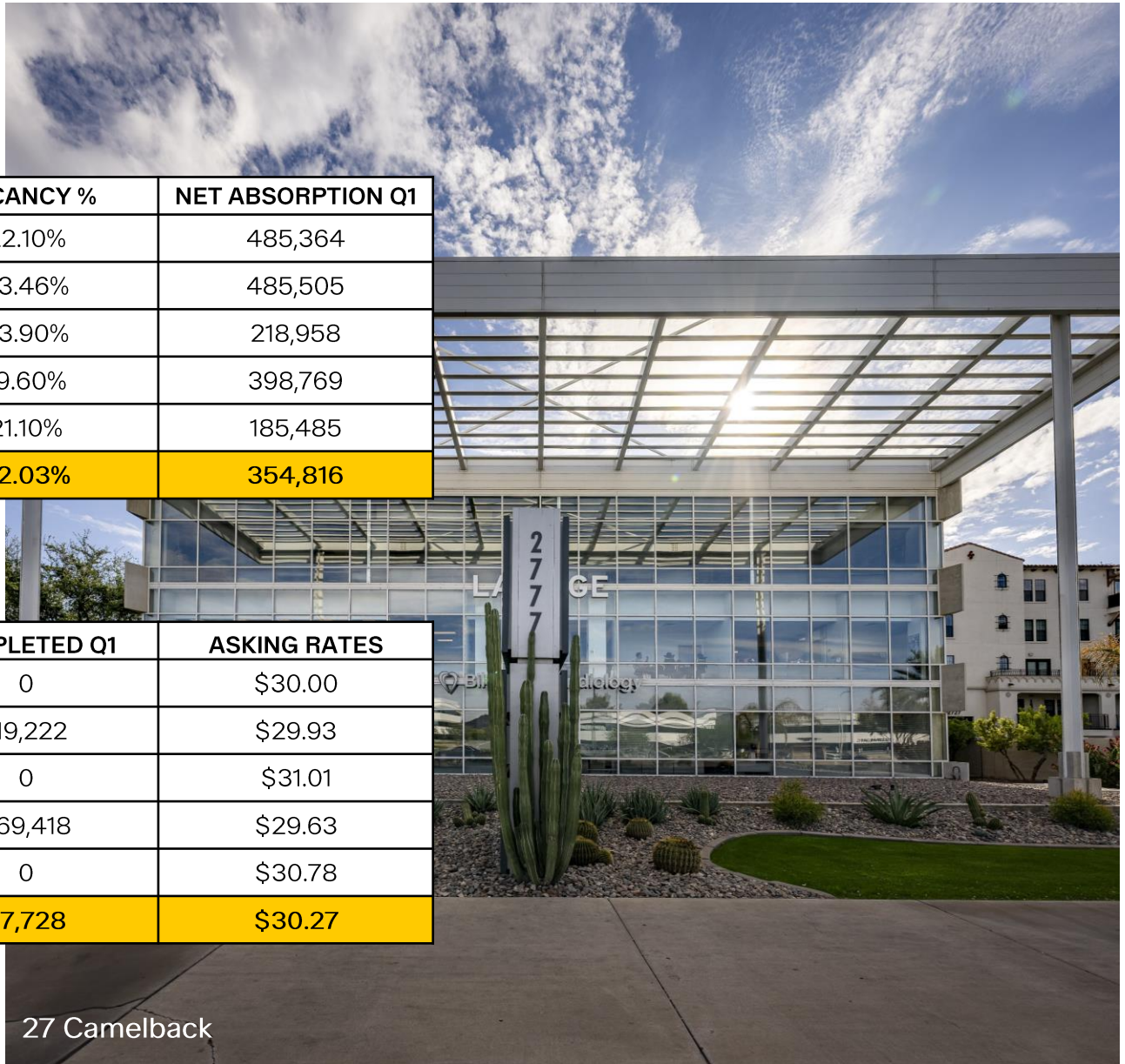
Q1 2024	Q1 2025
21.08% <b>VACANCY</b>	22.03% <b>VACANCY</b>
\$30.27 <b>LEASE RATES</b>	\$30.27 <b>LEASE RATES</b>



# First Quarter Data

DATA SOURCE	TOTAL EXISTING SF	TOTAL AVAILABLE SF	VACANCY %	NET ABSORPTION Q1
 <b>CBRE</b>	105,420,843	23,298,006	22.10%	485,364
 <b>CUSHMAN &amp; WAKEFIELD</b>	89,520,637	20,998,309	23.46%	485,505
 <b>JLL</b>	105,861,166	25,300,819	23.90%	218,958
 <b>LEE &amp; ASSOCIATES</b>	110,745,295	21,706,078	19.60%	398,769
 <b>NEWMARK</b>	96,218,976	20,302,204	21.10%	185,485
<b>Lincoln Averages</b>	<b>101,553,383</b>	<b>22,321,083</b>	<b>22.03%</b>	<b>354,816</b>

DATA SOURCE	NET ABSORPTION YTD	UNDER CONSTRUCTION	COMPLETED Q1	ASKING RATES
 <b>CBRE</b>	485,364	424,747	0	\$30.00
 <b>CUSHMAN &amp; WAKEFIELD</b>	485,505	360,000	119,222	\$29.93
 <b>JLL</b>	218,958	502,177	0	\$31.01
 <b>LEE &amp; ASSOCIATES</b>	398,769	117,507	269,418	\$29.63
 <b>NEWMARK</b>	185,485	159,222	0	\$30.78
<b>Lincoln Averages</b>	<b>354,816</b>	<b>312,731</b>	<b>77,728</b>	<b>\$30.27</b>



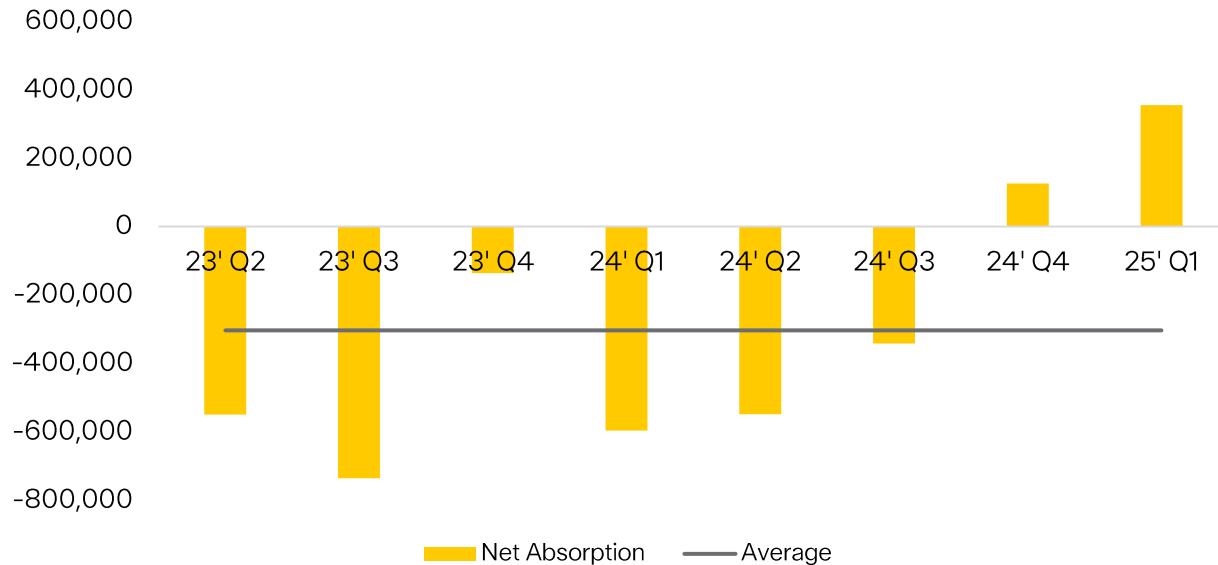
27 Camelback

# Net Absorption & Sales Activity

## Largest Sales

<b>Project:</b> The Forum at Gilbert Ranch	<b>Project:</b> Ryan at ASU Research Park	<b>Project:</b> Element at Kierland
<b>Seller:</b> Expansive	<b>Seller:</b> Strategic Office Partners	<b>Seller:</b> Providence Real Estate Group
<b>Buyer:</b> Baseline Partners	<b>Buyer:</b> Newstreet Properties	<b>Buyer:</b> David R. Greenbaum
<b>Square Feet:</b> 96,214	<b>Square Feet:</b> 97,504	<b>Square Feet:</b> 55,268
<b>Sale Price:</b> \$23,475,000 (\$244/SF)	<b>Sale Price:</b> \$22,050,000 (\$226/SF)	<b>Sale Price:</b> \$18,479,487 (\$334/SF)
<b>Submarket:</b> Chandler/Gilbert	<b>Submarket:</b> Tempe	<b>Submarket:</b> Scottsdale Airpark

## Net Absorption



# Leasing Fundamentals

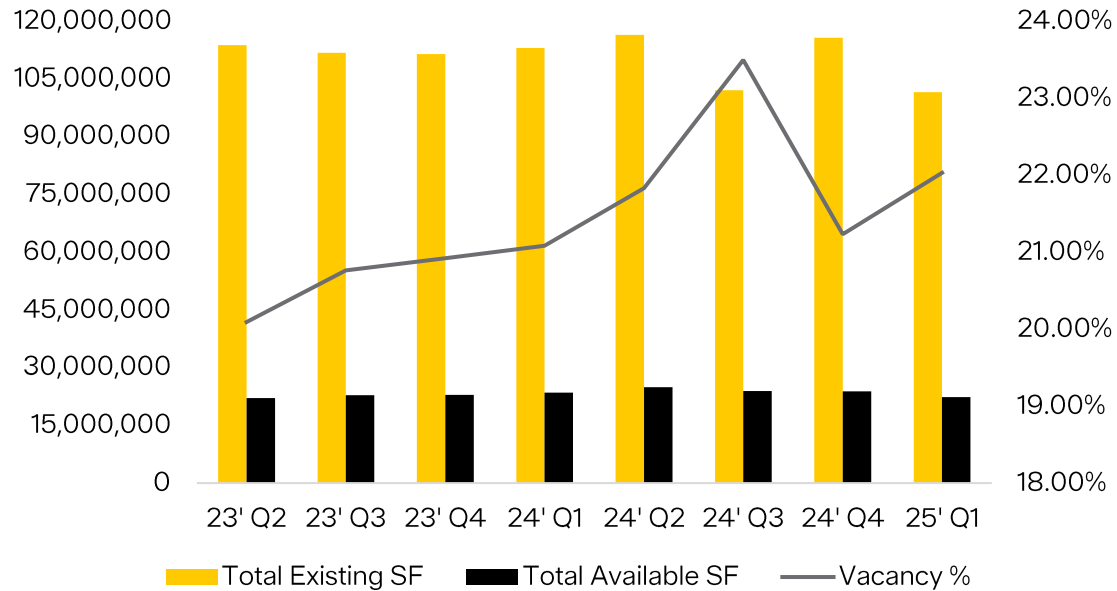
## Significant Leases

**Tenant:** Shamrock Foods  
**Building:** Camelback Esplanade I  
**Type:** Direct  
**Square Feet:** 60,855  
**Submarket:** Camelback Corridor

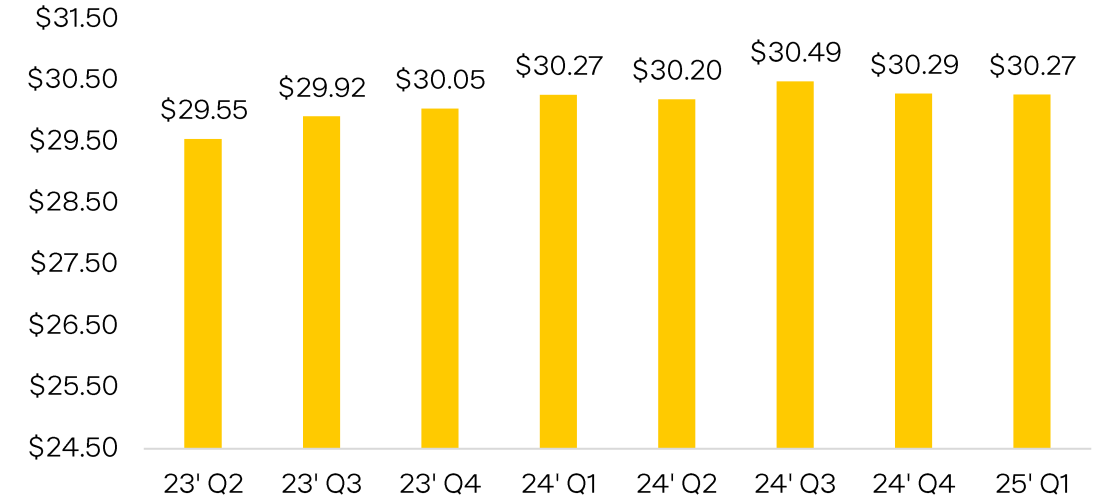
**Tenant:** PHI Air  
**Building:** The Grand 2  
**Type:** Sublease  
**Square Feet:** 60,061  
**Submarket:** Tempe

**Tenant:** Invitation Homes  
**Building:** Chandler 202  
**Type:** Direct  
**Square Feet:** 47,435  
**Submarket:** Chandler

## Phoenix Vacancy



## Asking Rates



# Construction Activity

## Under Construction

**Project:** Fender

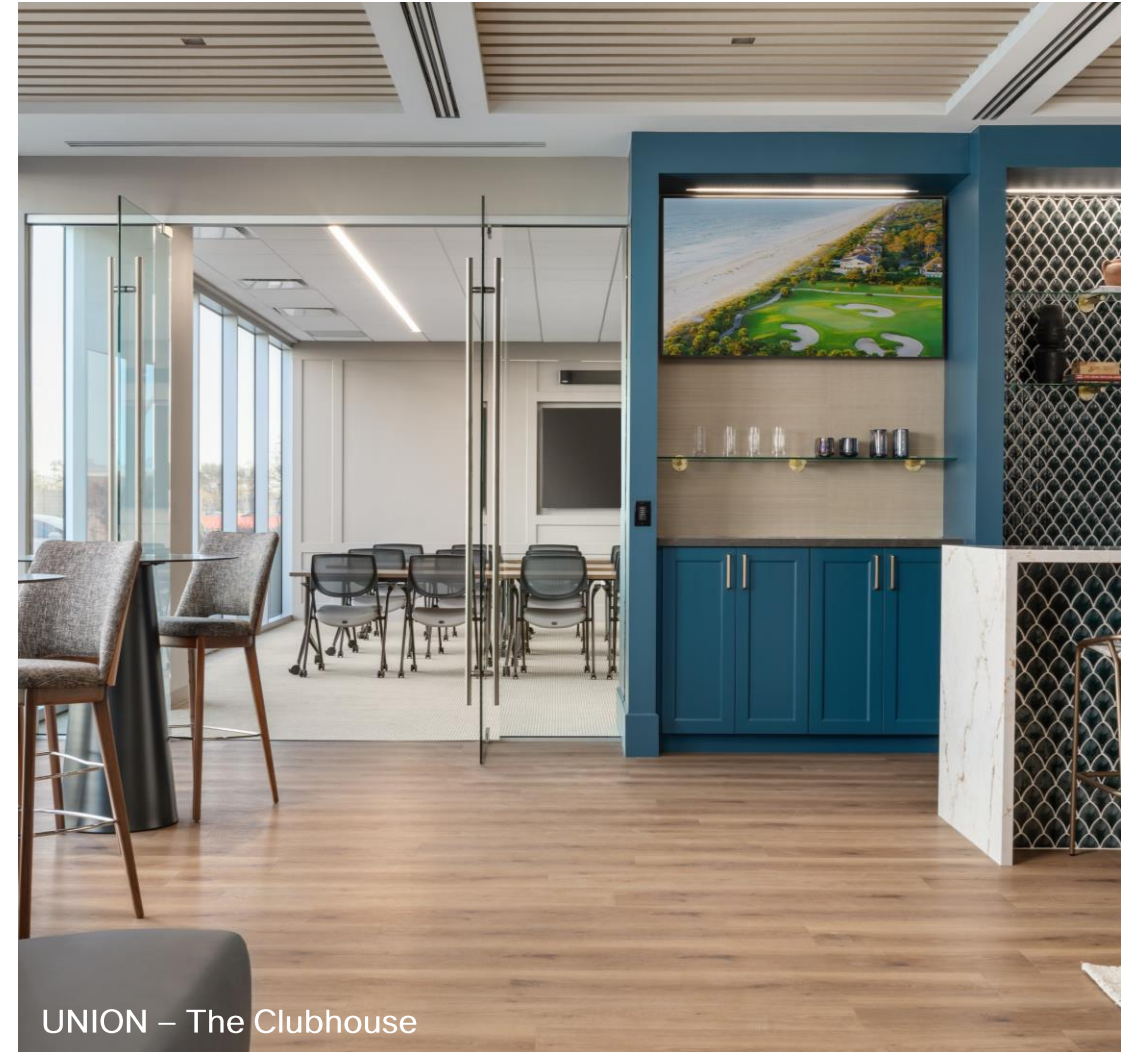
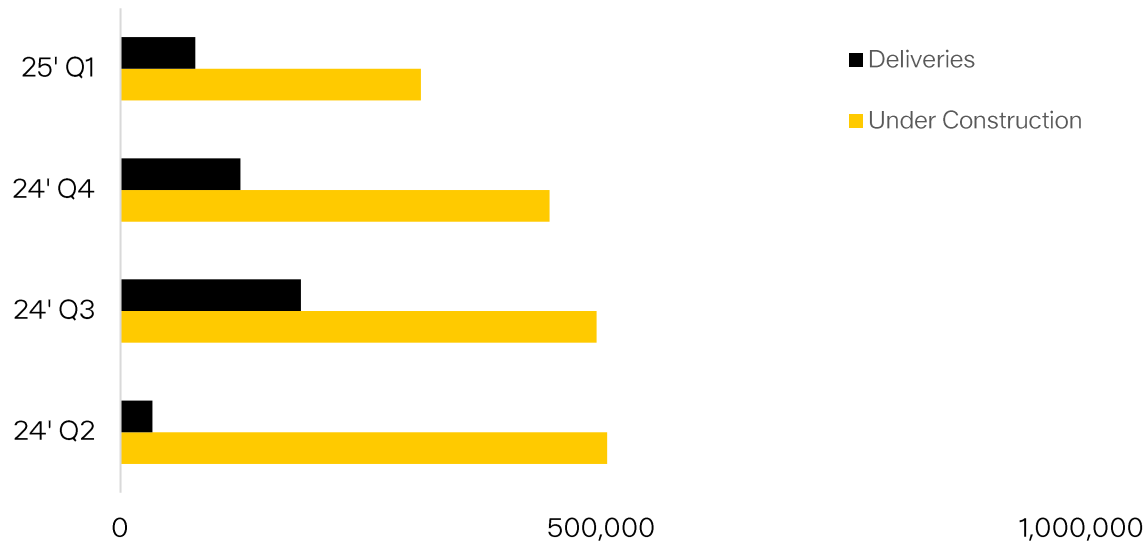
**Developer:** RED Development

**Square Feet:** 77,507

**Submarket:** Paradise Valley

**Delivery:** Q4 2025

## Construction Activity & Deliveries



# Contact

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**Lincoln**