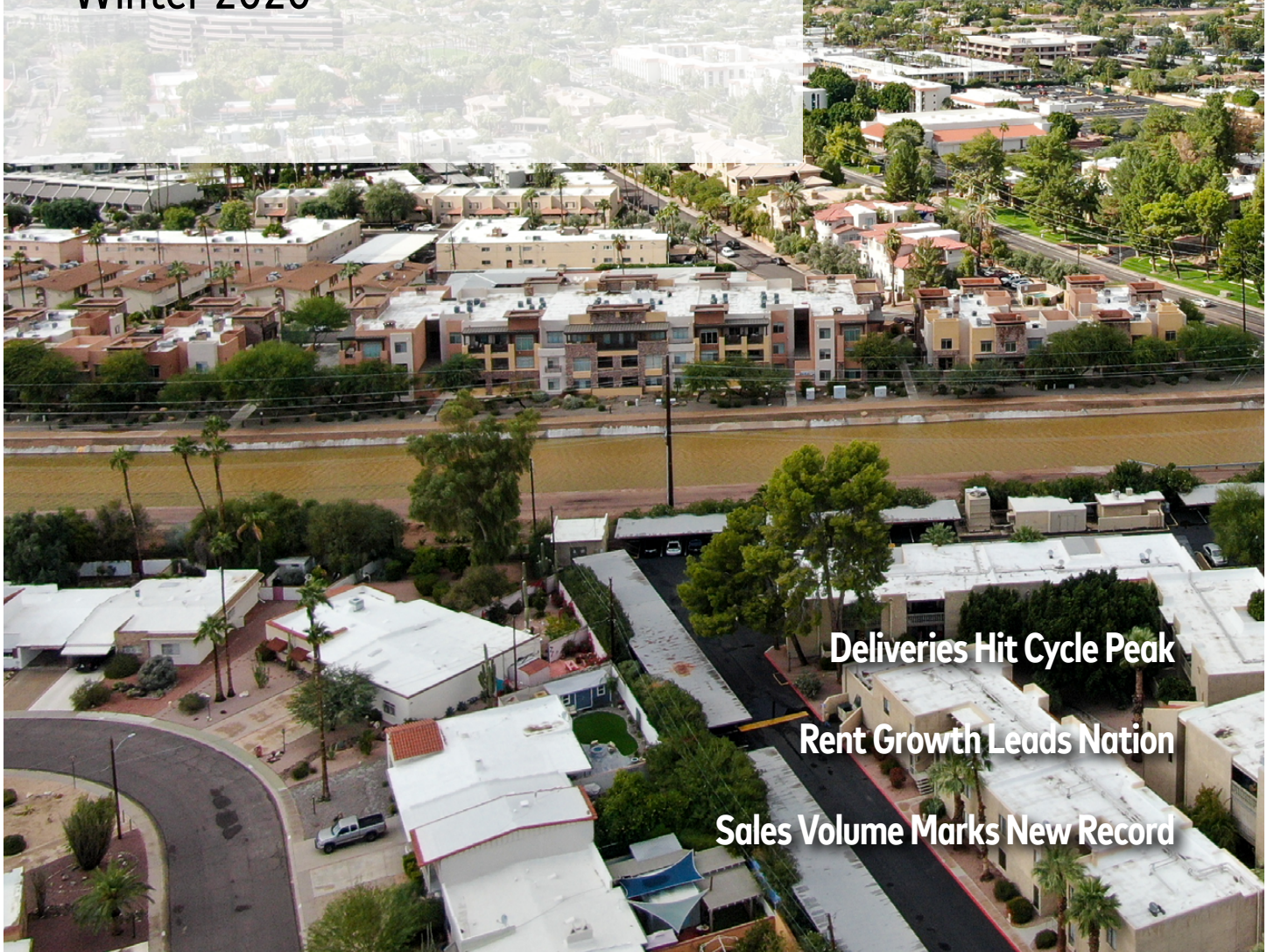


# Yardi® Matrix

## MULTIFAMILY REPORT

# Phoenix Flies Even Higher

Winter 2020



**Deliveries Hit Cycle Peak**

**Rent Growth Leads Nation**

**Sales Volume Marks New Record**

# PHOENIX MULTIFAMILY

Yardi® Matrix

## Robust Demand Keeps Up With Supply

Phoenix's multifamily market is in full bloom, nurtured by one of the nation's fastest-growing economies and a robust demographic expansion that indicates an overall trend. This has boosted demand and put pressure on rents, up by 7.4% to \$1,195 year-over-year through January. While leading the nation in rent growth, the average rent price was far behind the \$1,463 national figure.

Although showing slight signs of moderation by its recent standards, Phoenix's employment numbers were strong, with expansion up 2.8%—100 basis points above the national rate—year-over-year through November. Phoenix gained 56,500 jobs, with all sectors expanding except information and government, which contracted by 1,000 jobs. Education and health services (14,100 jobs) led gains, followed closely by trade, transportation and utilities (12,500 jobs). Both sectors will likely continue to progress; the former has multiple health-care projects underway, including Creighton University's new health sciences campus in midtown Phoenix and Barrow Neurological Institute's new research facility downtown.

Both transactions and completions marked new cycle highs in 2019, which is unusual this late in the cycle. Last year, nearly \$7.3 billion in multifamily assets traded for a per-unit price of \$164,497, while deliveries totaled 8,874 units. We expect rent growth to continue at a moderate 3.7% in 2020.

### Market Analysis | Winter 2020

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On the cover: Photo by Thomas De Wever/iStockphoto.com

### Recent Phoenix Transactions

#### The Griffin



City: Scottsdale, Ariz.  
Buyer: Starwood Capital Group  
Purchase Price: \$96 MM  
Price per Unit: \$ 347,112

#### Avana Desert View



City: Scottsdale, Ariz.  
Buyer: Greystar  
Purchase Price: \$96 MM  
Price per Unit: \$233,010

#### Arches at Hidden Creek



City: Chandler, Ariz.  
Buyer: Blackstone Group  
Purchase Price: \$84MM  
Price per Unit: \$194,444

#### Oxford



City: Phoenix, Ariz.  
Buyer: Knightvest Capital  
Purchase Price: \$75 MM  
Price per Unit: \$173,611