

**IREM PHOENIX CHAPTER & Central Arizona CCIM Chapter**  
**2016 Market Forecast**  
**OFFICE MARKET SUMMARY**

Category >10,000 Sq. Ft.	IREM/CCIM Index	2016 Year-End Forecast		
	2015	Andrew Cheney		
New Construction (Completed) Class A (CoStar 4&5 Star)	2,324,000	2,300,000		
Net Absorption Class A (CoStar 4&5 Star)	2,739,000	2,000,000		
New Construction (Completed) Class B (CoStar 2&3 Star)	347,000	300,000		
Net Absorption Class B (CoStar 2&3 Star)	650,000	500,000		
<b><u>Vacancy Rate - %</u></b>				
Class A (CoStar 4&5 Star)	16.40%	15.75%		
Class B (CoStar 2&3 Star)	14.80%	13.90%		
<b><u>Asking Rental Rate (\$/Sq.Ft./Year)</u></b>				
Class A (CoStar 4&5 Star)	\$25.39	\$26.32		
Class B (CoStar 2&3 Star)	\$21.69	\$22.15		
<b><u>SALES</u></b>				
Class A (CoStar 4&5 Star) - Average \$/Sq. Ft	\$215	\$225		
Class B (CoStar 2&3 Star) - Average \$/Sq. Ft	\$164	\$170		