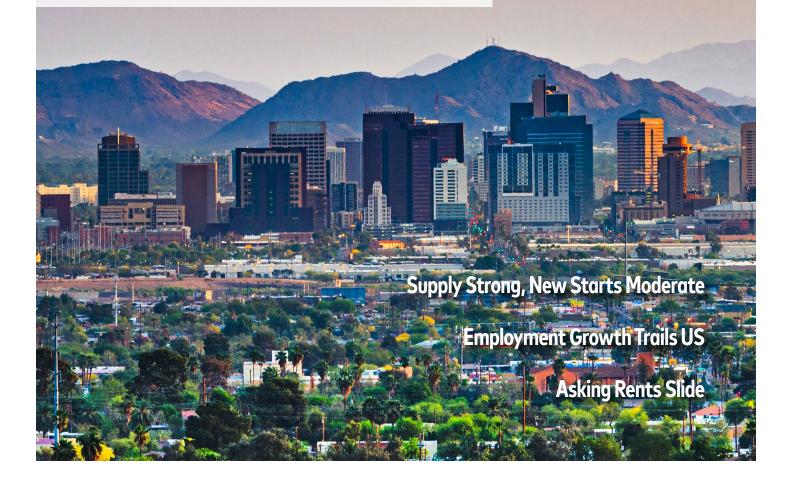


**MULTIFAMILY REPORT** 

# Phoenix: Lower Peaks In 2025

September 2025



### PHOENIX MULTIFAMILY



## Growth Challenges Across Fundamentals

Robust supply growth continued to challenge Phoenix's multifamily market, marking the third-weakest rent performance among the top 30 metros tracked by Yardi Matrix. Average advertised asking rents fell 2.7% year-over-year, to \$1,553 in July. On a trailing three-month basis through July, rates in the metro were down 0.2%. Phoenix's occupancy rate in stabilized properties slid 20 basis points year-over-year, to 93.1% in June.

Employment growth was 0.2% year-over-year through May, slower than the 0.8% U.S. rate. Phoenix's workforce grew by 14,300 net jobs. Gains were recorded in only four sectors, led by education and health services (20,300 jobs) and government (4,800). Six sectors lost 13,100 jobs combined, with the largest losses in transportation and utilities (-4,200). Meanwhile, the metro's unemployment rate stood at 4.0% in June, 10 basis points below the U.S. and state figures. The metro had several projects underway that will sustain its economic development, including Mayo Clinic's \$1.9 billion expansion at its Phoenix campus and Amkor Technology Inc.'s \$2 billion chip packaging and test facility.

Developers delivered 9,850 units in 2025 through July and, while new construction moderated, the pipeline remained high, with 32,840 units underway. Investment activity remained slow, reaching \$2.1 billion in 2025 through July, while the price per unit fell 1.1% year-to-date, to \$267,475.

#### Market Analysis | September 2025

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#### **Recent Phoenix Transactions**

#### Zaterra



City: Chandler, Ariz. Buyer: Ares Management Purchase Price: \$138 MM Price per Unit: \$350,765

#### Calista



City: Scottsdale, Ariz. Buyer: Knightvest Capital Purchase Price: \$119 MM Price per Unit: \$288,835

#### Redstone at SanTan Village



City: Gilbert, Ariz. Buyer: Mesirow Financial Purchase Price: \$119 MM Price per Unit: \$310,209

#### The Core Scottsdale



City: Scottsdale Buyer: MC Cos.

Purchase Price: \$98 MM Price per Unit: \$345,745