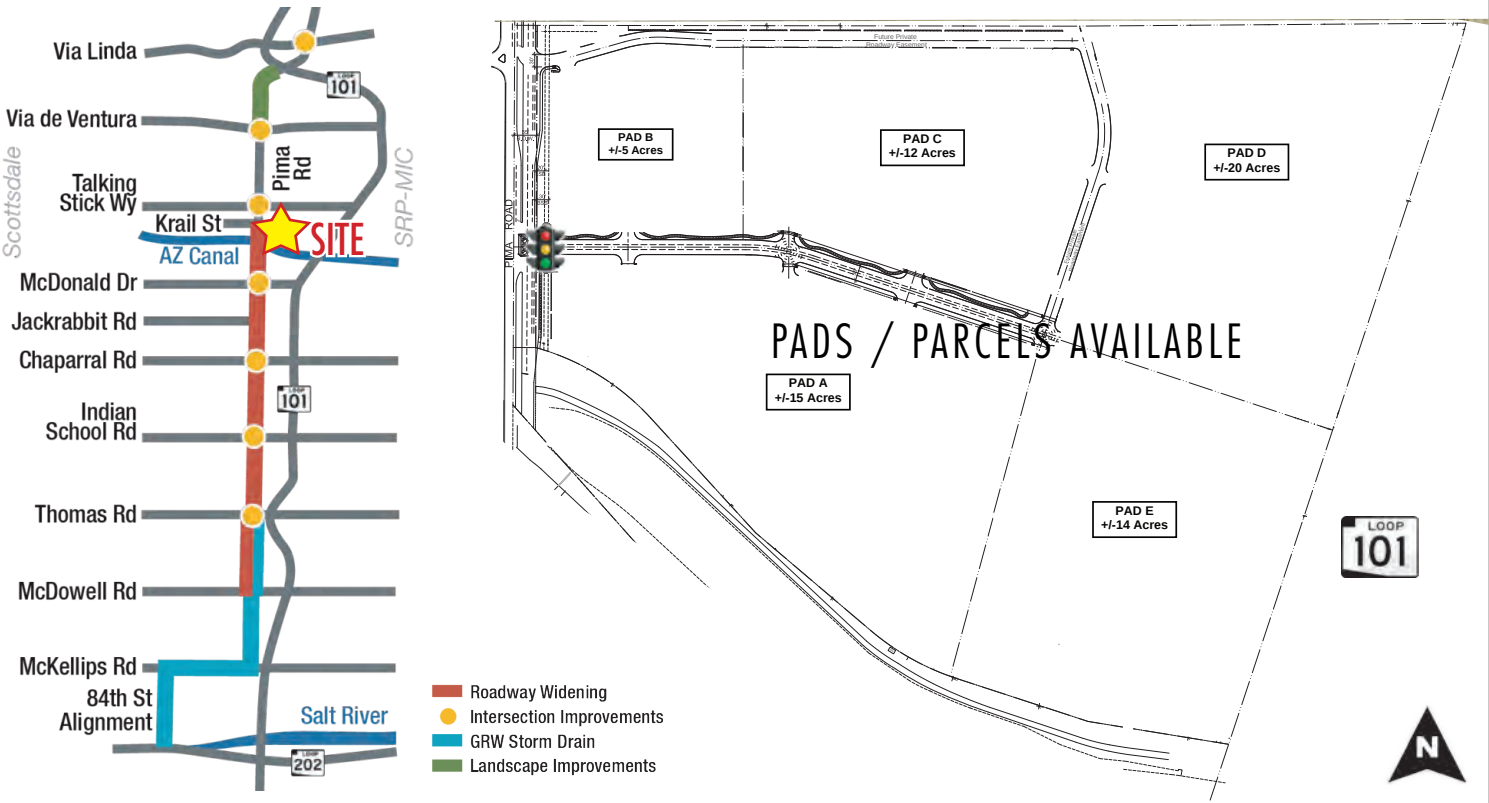


South of SWC Talking Stick Way & Loop 101 • SRPMIC (Scottsdale), Arizona



TRAFFIC COUNTS

Pima Rd (N/S)	Approximately 12,300 vpd
Talking Stick Way (E/W)	24,900 vpd
Loop 101 - Pima Fwy (E/W)	178,122 vpd
McDonald Dr (E/W)	37,900 vpd

(Source: Sites USA & ADOT)



DEMOGRAPHICS

(Source: Sites USA)

	1 Mile	3 Mile	5 Mile
Estimated Population (2024)	4,590	54,621	149,288
Estimated Projected Population (2029)	4,538	55,413	152,465
Estimated Avg. Household Income (2024)	\$169,553	\$166,165	\$178,487
Average Household Size	3.1	3.0	3.1
Total Daytime Employees	2,254	53,946	120,347
Median Age	43.4	47.4	45.0

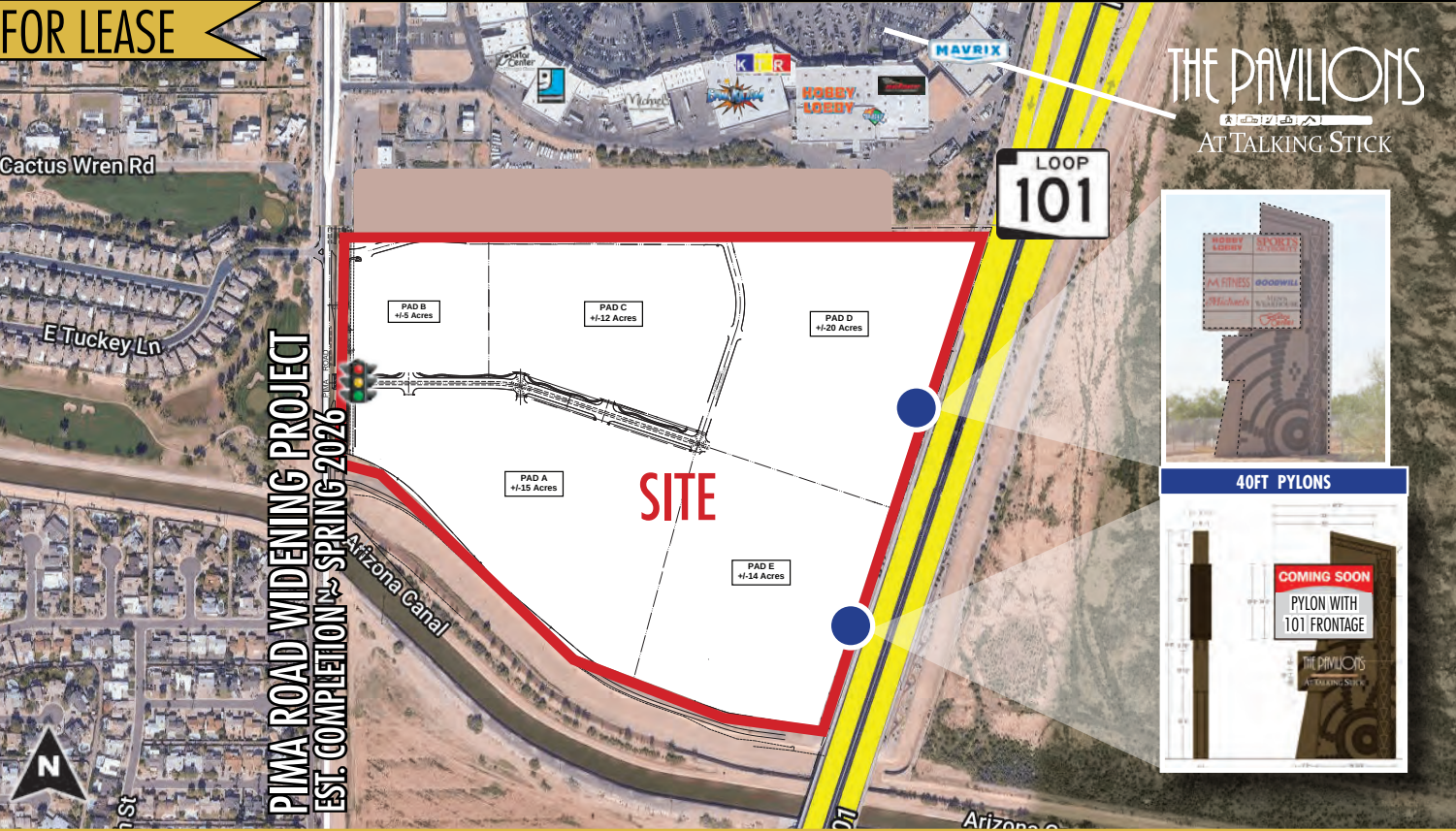
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LOOP 101 RETAIL ENTERTAINMENT CORRIDOR LAND

South of Southwest Corner of Talking Stick Way & Loop 101 • SRPMIC (Scottsdale), Arizona

LOOP 101 PYLON SIGNS AVAILABLE- PRIME FREEWAY VISIBILITY



For further information, contact:

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www.derito.com

PROJECT HIGHLIGHTS

- ± 65.93 Acres of Prime Land with ± 1,900 SF Loop 101 Frontage
- Just south of the The Pavilions at Talking Stick Shopping & Entertainment Center with ± \$17 million spent on improvements
- More than 149,000 residents within a 5-mile radius
- Average household income in a 5-mile radius: \$178,487
- Adjacent to Casino Arizona at Talking Stick and Talking Stick Resort (496 deluxe rooms with 15 luxury suites and 30 executive kings) and Golf Course
- Adjacent to 140-acre Salt River Fields at Talking Stick, the Spring Training home of the Arizona Diamondbacks & Colorado Rockies
- Two(2) Pylon Signs, 40' high with Loop 101 frontage

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THE PAVILIONS



AT TALKING STICK



INDIAN BEND ROAD / TALKING STICK WAY

PIMA ROAD

65.93 ACRES



178,122 VPD

ARIZONA CANAL

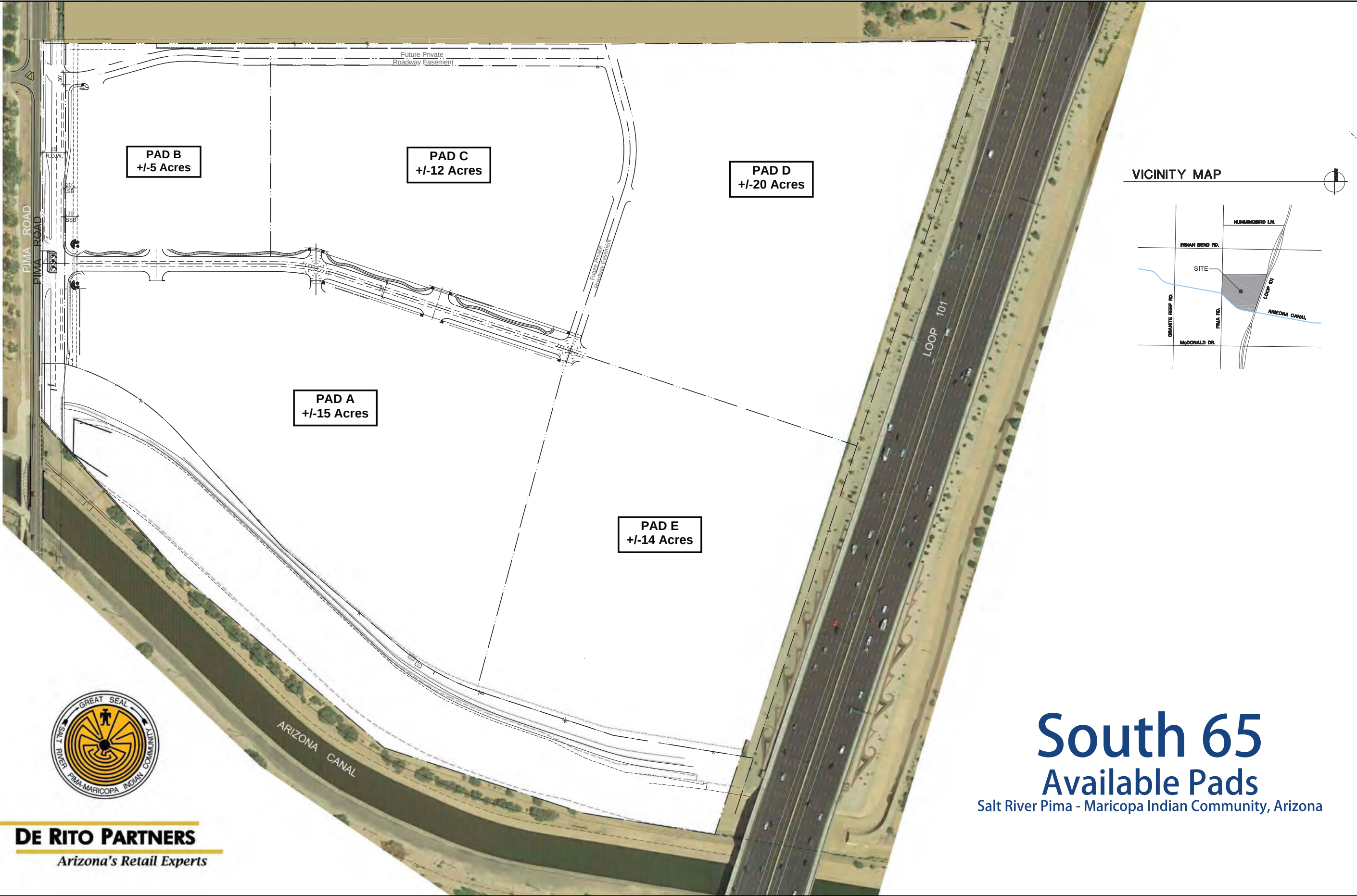
The map illustrates the strategic location of 'The Pavilions' development in Scottsdale, Arizona. The development is situated near Loop 101 and Talking Stick Way, adjacent to a 65-acre industrial site. The surrounding area is characterized by a mix of commercial, residential, and recreational facilities. Key landmarks include Camelback Mountain, Halloys Peak, and several golf courses such as McCormick Ranch and Silverado. The map also highlights various retail and dining establishments, including Target, Home Depot, Ulta, and Popeyes, as well as major roads like N 16th St, N 19th St, and N 20th St. The legend in the bottom right corner provides a comprehensive list of nearby businesses and services, further emphasizing the development's proximity to a vibrant community.



The largest aquarium in the Southwest, spanning 16 acres with accommodation for up to 15,000 daily visitors

CASINO ARIZONA

DE RITO PARTNERS, INC



AUGUST 2026

THE PAVILIONS
AT TALKING STICK
SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY, AZ



(Traffic Source: SitesUSA 2026, Google Gemini)
Add'l Traffic Source: 2021 AADT & City of Scottsdale, 2020

SALT RIVER FIELDS

Salt River Fields is the Spring Training home of the Arizona Diamondbacks and Colorado Rockies as well as a concert and festival venue.

FIRST MAJOR LEAGUE BASEBALL SPRING TRAINING FACILITY TO BE BUILT ON NATIVE AMERICAN LAND IN THE US

140 ACRE COMPLEX SPREAD ACROSS A SCENIC LANDSCAPE WITH VIEWS OF CAMELBACK MOUNTAIN, THE MCDOWELL MOUNTAINS, FOUR PEAKS, RED MOUNTAIN, AND THE SUPERSTITION MOUNTAINS

11,000 SEAT CAPACITY **BALLPARK**

12 PRACTICE FIELDS AND **3 ACRE** IRRIGATION LAKE

TWO 85,000 SF CLUBHOUSES FOR BOTH CLUBS

ESTIMATE OF TOTAL ECONOMIC IMPACT OF CACTUS LEAGUE BALLPARKS ON ARIZONA:

\$63.3 MILLION TOTAL GDP BY STATE

1,087 TOTAL JOBS in 2018

38.1 MILLION TOTAL LABOR INCOME

\$5,600,000 IN DIRECT STATE AND LOCAL TAXES



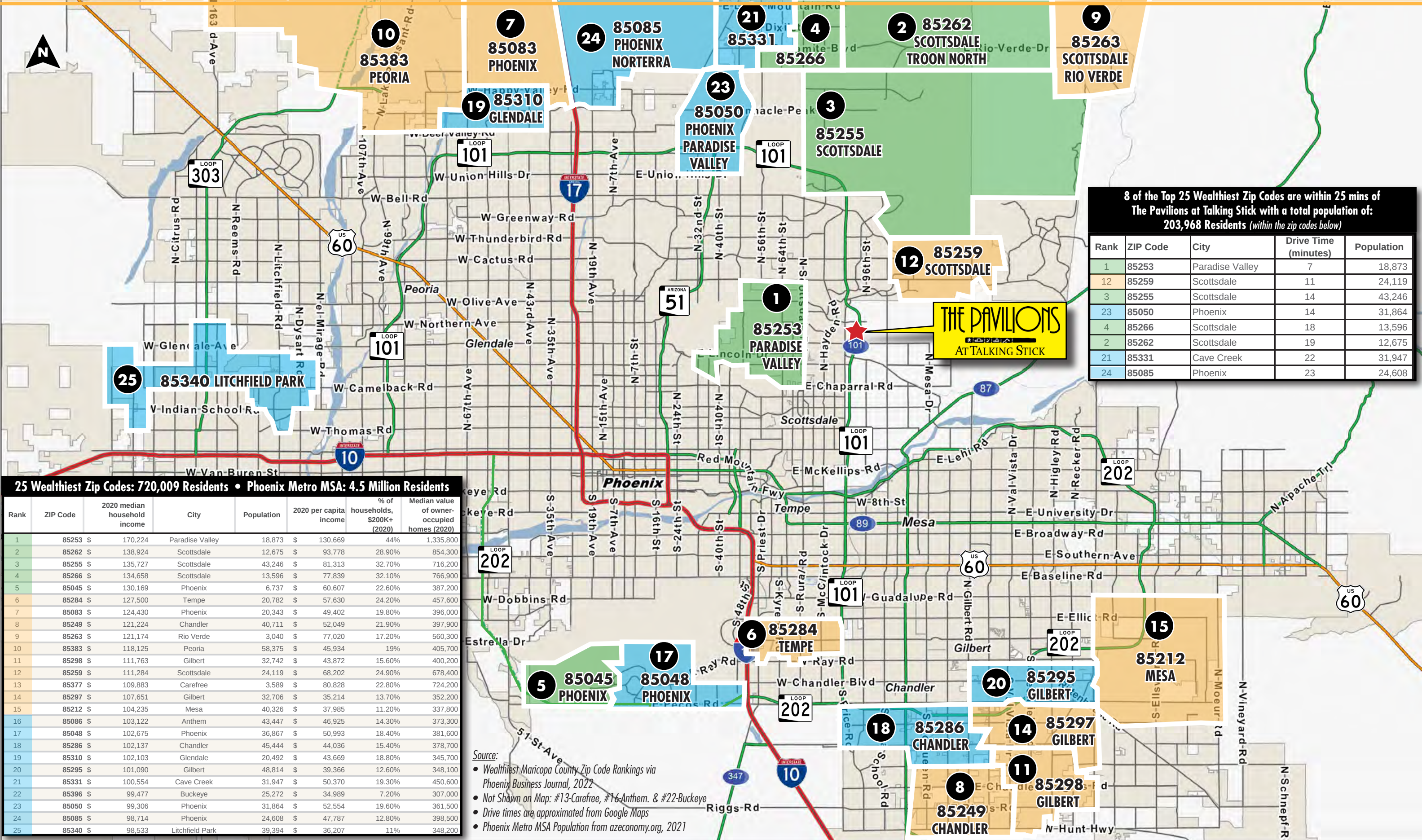
SCOTTSDALE DEMOGRAPHICS

(Source: Sites USA)

	3 Mile	5 Mile	10 Mile
Estimated Population (2024)	55,285	153,133	814,862
Estimated Projected Population (2029)	56,087	156,011	830,022
Estimated Avg. Household Income (2024)	\$152,559	\$168,026	\$135,978
Average Household Size	3.1	3.1	3.1
Total Daytime Employees	56,864	119,349	526,167
Median Age	43.5	42.0	37.1

CENTRAL SCOTTSDALE MAJOR EMPLOYERS





WELCOME

LOCAL EVENTS

Awaken your senses as you
Discover Salt River, Arizona

SKEG TASH (GOOD DAY)



The Salt River Pima-Maricopa Indian Community is home to two distinct tribes, the Akimel O'odham and the Xalychidom Piipaash, more commonly known as Pima and Maricopa. Although we are two distinct tribes, we share cultural values and ties to the land that we call home, Salt River, Arizona. Our Community encompasses over 52,600 acres, shares a Scottsdale address and is bordered by the cities of Mesa, Tempe and Fountain Hills. The majestic Red Mountain (pictured above) is a sacred mountain that signifies home for our members and can be seen from almost every property located within the Community's boundaries.



As a tribe, we proudly own and operate several successful enterprises including Talking Stick Resort, Salt River Fields at Talking Stick, Talking Stick Golf Club and Casino Arizona. Additionally, we continue to bring new partners to our Community, such as Great Wolf Lodge Arizona, iFLY indoor skydiving and Medieval Times Dinner & Tournament, so that visitors such as yourself, can awaken their senses and discover Arizona Indian Country in a whole new way. Welcome to Salt River, we are glad you are here.



Daryl Lynn Jay showcasing bead

Damien Charette at the Chalk Walk

ONGOING/SEASONAL

- L8 Nite Bingo (Every Friday and Saturday)
- Native Art Market (Oct-Apr)
- Yellowbird Native American Dance Showcase (Nov-Apr)

FEBRUARY

- Street Eats Food Truck Festival

MARCH

- Cactus League Spring Training Baseball

MAY-SEPTEMBER

- Release Pool Parties

OCTOBER

- Halloween Balloon Spooktacular
- Arizona Fall League Baseball
- Phoenix Fashion Week

NOVEMBER

- Red Mountain Eagle Pow Wow
- Barrels, Bottles & Brews
- AZ Wine & Food Festival

DECEMBER

- Winter Waterland
- Christmas in the Rainforest



Steel sculpture by
artist Jeffrey Fulwider
at Salt River Fields



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Salt River Pima-Maricopa
Indian Community
Scottsdale, Arizona





PLAY

FAMILY FUN:

- Octane Raceway & Velocity VR
- Mavrix Entertainment Center
- KTR Indoor Action Sports Playground
- Imagine 3D Mini Golf
- iFLY Indoor Skydiving
- Roadhouse Cinemas
- Topgolf
- Butterfly Wonderland
- OdySea Aquarium
- Pangaea Land of the Dinosaurs
- Medieval Times
- Great Wolf Lodge Arizona

CASINO:

- Casino Arizona
- Talking Stick Resort

SPORT:

- Salt River Fields at Talking Stick (spring training)
- Talking Stick Golf Club

CULTURE:

- USS Arizona Memorial Gardens at Salt River
- Visitor Center and Art Display
- Huhugam Ki: Museum
- Cultural Center at Talking Stick Resort

DINE

CASINO ARIZONA

- Cholla Prime Steakhouse
- The Eagles Buffet
- The Willows Restaurant
- CAZ Sports Bar
- Salt River Café

TALKING STICK RESORT

- Orange Sky
- Blue Coyote Cantina
- Blue Coyote Café
- Ocean Trail
- Black Fig Coffee and Bistro
- Wandering Horse Buffet
- Tash

THE BLOCK

- White Castle
- Jersey Mike's
- Rusty Taco
- Dickey's BBQ Pit
- And many more!

STAY

ARIZONA BOARDWALK AT TALKING STICK

- Johnny Rockets
- Pangaea Dinosaur Grill
- Frozen Penguin

THE PAVILIONS AT TALKING STICK

- Angry Crab Shack
- Babbo Italian Eatery
- Roadhouse Cinemas
- Brickyard Grill
- And many more!

SIERRA BLOOM & THE EDGE

- Dutch Bros
- Café Rio
- Playa Bowls
- Thai Chili2Go
- Black Rock Coffee Bar
- And many more!

TALKING STICK RESORT (AND CASINO)

GREAT WOLF LODGE ARIZONA

COURTYARD BY MARRIOTT SALT RIVER

RESIDENCE INN BY MARRIOTT SALT RIVER

HAMPTON INN & SUITES TALKING STICK

TRU AND HOME2 SUITES SALT RIVER

STAYBRIDGE SUITES TALKING STICK

COMFORT SUITES TALKING STICK



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Investors Get New Breaks on Capital-Gains Taxes in Trump Law

Top rate stays untouched, but investors in Opportunity Zones and startups get breaks

By [Richard Rubin](#) [Follow](#)

July 12, 2025 5:00 am ET



President Trump signed the sweeping tax-and-spending legislation on July 4. PHOTO: KEN CEDENO/REUTERS

Quick Summary

- Congress broadened avenues for taxpayers to defer, minimize, or avoid capital-gains taxes, favoring investors.

[View more](#)

WASHINGTON—Congress expanded opportunities for taxpayers to postpone, minimize or avoid capital-gains taxes in President Trump’s [new tax law](#), giving boosts to investors without cutting the headline rate.

While Trump-era Republicans have cut taxes on wages, business income, corporations and estates, they have left the top capital-gains rate exactly where it sat on Jan. 1, 2013: 23.8%. Behind that stasis, however, Congress continued shrinking the capital-gains tax base.

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In the tax-and-spending legislation that Trump [signed into law](#) July 4, Republicans reupped the Opportunity Zone tax break for investments in low-income areas and made it permanent, letting investors defer and reduce taxes. They also expanded a break often used by venture-capital investors that can wipe out capital-gains taxes when a startup is sold.

“What you see there is targeted tax relief,” said Dave Kautter, the Treasury Department’s top tax-policy official during the first Trump administration. “You see Congress and the administration identifying initiatives where they think change can make a significant difference compared to a broad across-the-board cut.”

Republicans nearly included a capital-gains tax break in their new [school-choice tax credit](#) but changed course at the last minute. Still, the new law’s estate-tax cut and blessing for business paths around the cap on the state and local tax deduction indirectly lighten the tax burden on capital gains. So do enhanced health savings accounts and corporate tax cuts, including the 2017 tax-rate reduction and this year’s expanded investment deductions.

“All of this is expanding choice for sophisticated taxpayers in order to get the best deal they can out of the tax system, and in ways that don’t make a lot of sense,” said David Kamin, a senior tax-policy official in the Obama and Biden administrations.

Capital-gains taxes—the levy on investment profits—are among the U.S. taxes with the most concentrated effects on the highest earners. People earning \$10 million or more reported receiving 39% of long-term capital gains in 2022, according to Internal Revenue Service data.

Collections of the tax are particularly sensitive to rates, and the current 23.8% level may be close to revenue-maximizing. When Congress raises rates, people tend to hold appreciated assets instead of selling. When Congress lowers rates, people sell to lock in lower-taxed gains.

Republicans tried for decades to drive down capital-gains tax rates, arguing it was an important way to spur investment and risk-taking. They succeeded, cutting the top rate to 20% from 28% in a deal with then-President Bill Clinton, a Democrat, and then to 15% under President George W. Bush, a Republican.



The GOP megabill made permanent the Opportunity Zone tax break, for investments in low-income areas. PHOTO: MICHAEL NAGLE/BLOOMBERG NEWS

The top rate jumped to 23.8% in 2013 because a new 3.8% investment tax from the 2010 Affordable Care Act took effect and because a bipartisan agreement returned the basic top rate to 20%. The new changes leave those rates alone while carving out more breaks. Beyond the new law, there are periodic attempts by conservatives to get the Treasury Department to take the legally questionable move of adjusting capital gains for inflation.

“Republicans are utilizing these other policies to provide exclusions or exemptions, and maybe politically, that relieves some of the pressure on the rate,” said Daniel Bunn, president and CEO of the Tax Foundation, which favors a simpler tax system with lower rates and fewer breaks.

Savings from Opportunity Zones

Opportunity Zones, which have bipartisan roots, help investors reduce capital-gains taxes. Investors roll gains into a special fund to defer taxes. They get a 10% tax reduction if they hold the Opportunity Zone investment for five years—and triple that for rural investments under a new provision. The Opportunity Zone investment itself can be free of capital-gains taxes after 10 years.

“Somebody who’s planning an exit, selling a family business, it’s a good opportunity to shelter your gains, and they’ve made it even more enticing,” said Dan Ryan, a tax attorney at Sullivan & Worcester in Boston.

The Opportunity Zone changes are projected to save taxpayers \$41 billion through 2034.

The other major new change expands the break for qualified small-business stock under tax code Section 1202. That provision has enjoyed bipartisan support and backing from the venture-capital and high-tech industries, and it is used to entice

investors in start-ups with growth potential. The break can let investors eliminate all capital-gains taxes when they sell stock meeting specified criteria. The new law enhances several features and is projected to save taxpayers \$17 billion.

The break is now capped at \$15 million or 10 times the original investment, whichever is greater. That \$15 million was increased from \$10 million. Slightly larger businesses can now qualify, and investors can get a partial tax break if they hold stock for three years instead of waiting for five.

“1202 is about as powerful an incentive as you can get,” said Howard Wagner, a managing director at accounting firm Forvis Mazars, who said the new law gives investors more flexibility.

Break on estate tax

Congress also expanded the estate-tax exemption to \$15 million per person, tied that figure to inflation and removed the expiration date that threatened to cut the exemption roughly in half.

The changes mean more than 99.8% of people dying annually will avoid the estate tax. It is now easier for almost everyone to hold taxable assets and take advantage of the law that wipes out capital-gains taxes on appreciated assets at death. Heirs pay only on subsequent capital gains, and only if they sell assets.

“If you can hold it, even though a 23.8% rate is pretty good, zero is better,” said Kautter, now at accounting firm RSM.

The Biden administration tried and failed to raise capital-gains rates and change the tax treatment of gains at death.

“We increasingly have income that simply never gets taxed, and it won’t get taxed either through the capital-gains tax system or the estate tax,” said Kamin, now a New York University law professor.

Some people will adjust prior plans because of the estate-tax change, said Joshua Landsman, a senior wealth strategist at Wilmington Trust. They could swap investments so that assets with a lot of unrealized capital gains move to personal accounts and get the tax-free treatment of gains at death while other assets go into trusts.

Write to Richard Rubin at richard.rubin@wsj.com

Appeared in the July 14, 2025, print edition as ‘Spending Law Adds New Ways to Reduce Capital-Gains Tax’.

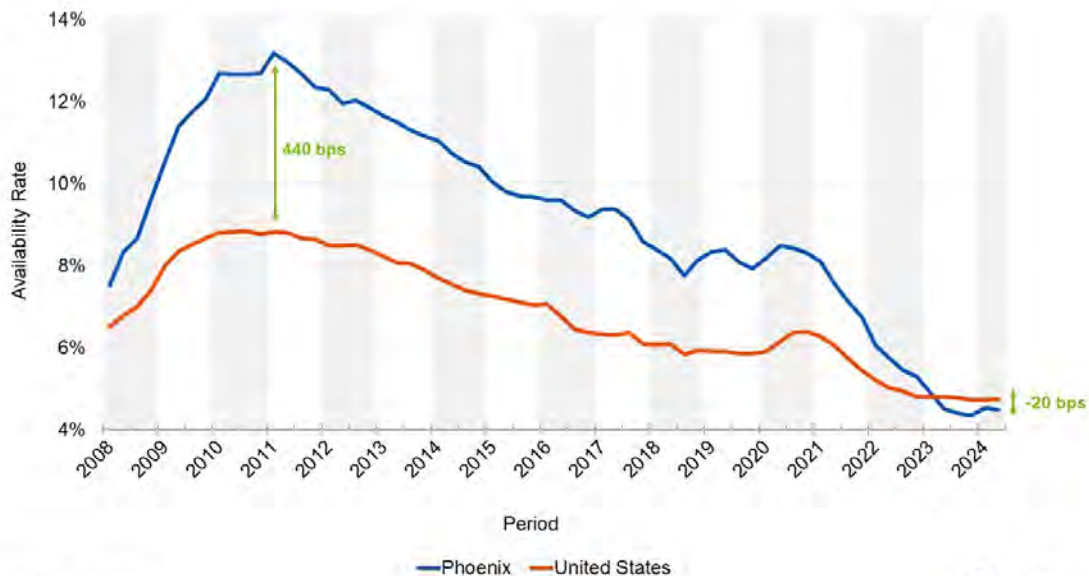


COSTAR INSIGHT

Phoenix Retail Availability Outperforms Nation for Over a Year

Population, Income Growth Fuel Demand While Lack of Spec Construction Dampens Supply Side Pressure

Market Conditions Are Tighter in Phoenix Than in the US



By **Connor Devereux**
CoStar Analytics

June 25, 2024 | 10:41 AM

The Phoenix retail market boasts lower space availability than the United States overall, a trend that has held for more than a year.

As the second quarter nears completion, the amount of space available to lease has reached 4.5% of the Valley's total existing and underway inventory. That share bests the

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national level, with an availability rate of 4.7%.

The recent outperformance is a unique phenomenon. From 2008 to 2019, [Phoenix's](#) retail availability rate averaged about 300 basis points higher than the United States. The spread peaked at 440 basis points in the first quarter of 2011, as losses incurred during the Great Recession took longer to recover in Phoenix than in most other markets.

However, a surge in demand in the years following the pandemic's start contributed to a [rapid decline in space availability](#), keeping market conditions near the tightest level in recent memory.

Robust [population gains](#), higher incomes and healthy economic growth contributed to Phoenix's ranking as one of the [top-demand markets](#) in the nation. These factors have helped many local retailers avoid closing stores and [encouraged others to open new ones](#).

In addition, a near-complete lack of speculative construction activity has kept supply side pressure at bay. Since 2013, retail developers completed about 22 million square feet and demolished over 6 million square feet. For comparison, the Valley had more than 23 million square feet of gross completions in 2007 and 2008 alone while removing less than half a million square feet.

Though [consumption growth could ease](#) as the broader macroeconomy slows, a meaningful weakening of property performance is not expected over the near term in Phoenix. Local developers have had difficulty breaking ground on new retail space given the challenging financing environment, leaving less than 1% of inventory underway. Also, many corporate retailers have increased their efficiency and profit margins over the past few years, making widespread store closures unlikely, even if economic conditions soften.

Phoenix among top cities for tech job growth, report shows

Dec 14, 2022, 2:11pm MST

Demand for tech workers remained elevated in the Phoenix metro area, despite hiring freezes and layoffs occurring in the sector nationwide this year, a report released this week shows.

The Phoenix metro area saw a 31.7% increase in job posting growth through October, compared to the same time period last year, according to the latest 2022 Dice Tech Jobs report released Dec. 13.

The Valley ranked sixth out of cities nationwide for job posting growth and 14th for overall tech job posting volume, the report shows.

At the end of October, 15 cities nationwide reported year-over-year double-digit job posting growth, led by Houston (45.6%), Orlando, Florida (42.7%), Detroit (41.6%) Miami (33.2%) and Irvine, California (32.2%).

The Valley's monthly tech job postings peaked at 6,244 in June before dipping to 3,782 in October, according to the report.

Only four cities on the list – Atlanta; Plano, Texas; Raleigh, North Carolina; and Columbus, Ohio – experienced a year-over-year drop in tech job postings.

Arizona saw a 27.3% increase in overall year-over-year job posting volume through the third quarter, the report shows.

Although some 85,000 workers were reportedly laid off in the tech sector nationwide, more than 375,000 positions remain unfilled, signaling demand for workers continues to grow, especially in the health care, aerospace and finance industries, which are looking to fill a variety of engineering and developer roles, according to the report.



TONDA

Demand for tech workers remained elevated in Phoenix, which ranked sixth in the nation for year-over-year job posting growth, according to a 2022 Dice Tech Jobs report.

Tech job postings nationwide were up 25% year-over-year and demand is looking stronger than it did in 2019, the report said.

Big demand for software, data job postings

Job growth and volume statistics show increases in postings for engineering, development and data-related roles as companies look to focus on digital transformation initiatives and grow their core tech teams, according to the report.

Tech occupations in greatest demand include are software development engineers, back-end software engineers, data science managers, help desk specialists and staff software engineers.

Trends forecast a drop in job postings during the holidays, followed by a jump in January. But, those trends could be impacted by a potential economic recession, according to the report.

“Employers in the healthcare, aerospace, finance and consulting industries have hired massive numbers of tech professionals to support innovation efforts in 2022 and that has continued into Q4,” the report’s author said. “With recent layoffs, a potential recession and 52% of tech professionals likely to change employers in the next year, these employers may be able to fill their open roles more quickly in 2023.”

Here are the top 15 cities by overall job posting growth with the year-over-year job increase in parenthesis:

- Houston (45.6%)
- Orlando, Florida (42.7%)
- Detroit (41.6%)
- Miami (33.6%)
- Irvine, California (33.2%)
- Phoenix (31.7%)
- San Diego (29.4%)
- Indianapolis (28.7%)
- Charlotte, North Carolina (27.6%)
- Boston (25.6%)
- Los Angeles (23.3%)
- Chicago (21.9%)
- Tampa, Florida (21%)
- Seattle (19.2%)
- New York (17.9%)

Amy Edelen
Reporter
Phoenix Business Journal



Phoenix Ranked 4th Best City for New College Graduates, Zillow says

Article originally posted on AZ Central

(<https://www.azcentral.com/story/news/local/phoenix/2023/06/02/phoenix-fourth-best-city-for-new-college-grads/70281349007/>) on June 2, 2023

Phoenix was ranked as the fourth-best market for new college graduates, according to a recent Zillow study.

The Valley of the Sun was able to reserve a top spot due to an abundance of job openings, cementing it as a place of opportunity for recent grads, according to Zillow. With a typical salary just north of \$62,000 and a hefty price tag for rent, around \$1,918, however, is not entirely ideal.

For Zillow, this is remedied by Phoenix's rather high population of those in their 20s, making the prospect of finding a roommate to split the bill with easier.

What cities were in the top 5 cities for new graduates?

As for the rest of the rankings, Colorado Springs, Colorado, took the top spot boasting relative affordability with a number of career prospects, creating a high quality of life for those seeking new opportunities.

"While the typical graduate will spend about 35% of their income on rent without roommates (which is on the more expensive end of rent burdens), strong job growth and a large population in their twenties makes Colorado Springs the highest ranked

market in the country,” the Zillow report states.

Spokane, Washington, came in at No. 2 due to a significantly cheaper price of rent than Seattle, with new grads usually spending around 31% of their income on shelter.

Named top dog in terms of working for U.S. insurance companies, Des Moines, Iowa, took third place with one of the lowest asking rents on the list, \$1,202, while sporting strong job growth alongside it.

Rounding out the list was Buffalo, New York, due to its substantially cheaper rent than that of New York City — around \$2,000 — and a decent number of job openings, but hampered by its low population of those in their 20s.

How did Zillow create the list?

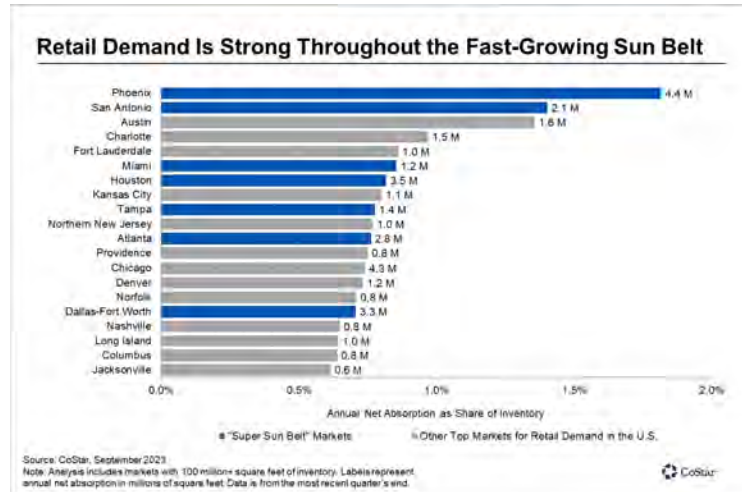
The methodology used to comprise the list was rents from the Zillow Observed Rent Index, income provided by the Bureau of Labor Statistics Occupational Employment and Wage Statistics, job growth data from Indeed’s Hiring Lab and the share of the population aged 21-29 from the one-year American Community Survey.

“The ranking is composed of the share of income spent on the typical asking rents, the typical recent graduate income, the share of the population aged 21-29, and job growth, with the share of income spent on rent weighted most negatively, and the share of the population aged 21-29 receiving less positive weight,” according to the Zillow report.

Super Sun Belt Markets Phoenix & San Antonio Lead in Retail Demand

Article originally posted on CoStar

(<https://product.costar.com/home/news/1679547948>) on September 13, 2023



The retail sector remains a bright spot in the broader commercial real estate landscape, as healthy consumption patterns keep tenants in expansion mode. Nearly every major U.S. market had more retail space occupied than vacated in the 12 months ending in the second quarter, though the pace of expansion is notably easing.

A familiar pattern emerges when ranking the top markets in the country for annual net absorption — defined as the change in the number of square feet occupied — as a share of inventory.

The strongest performance comes from the South and West regions, driven by robust demographic trends and steady job growth. “Super Sun Belt” markets, a designation from the Urban Land Institute’s latest annual report, dominate the list, with all seven areas making the top 20. These core cities, which include Atlanta; the Dallas-Fort Worth area; Houston; Miami; Phoenix; San Antonio; and Tampa, Florida, were recognized by the trade group for being top migration destinations for residents and businesses and having the brightest real estate outlook.



Valley of the Sun Tops Retail Demand Ranking

Phoenix recorded 4.4 million square feet of positive net absorption over the past year as its nation-leading population growth encouraged retailer expansion. That figure represents 1.8% of the market’s retail inventory, earning Phoenix the top ranking. Other positive demand drivers that support strong retail performance include its growing labor market and commercial space affordability, as well as its expanding and diversifying local economy.

New development has not kept pace with robust demand, causing space availability to fall to the lowest level on record. When construction does occur, it typically takes place in Phoenix’s high-growth suburban areas, where land is more available and retail options are fewer. This frees up capacity for retail expansion as tenants find little availability near the primary population centers. As a result, the strongest demand figures come from areas like the Loop 303 corridor, Mesa, Queen Creek and Pinal County.

Phoenix may be approaching a structural growth bound as space availability tightens. Leasing activity has already shown signs of easing, and the construction pipeline remains thin. The Valley of the Sun's long-term tailwinds will continue to support underlying retail demand, though the absolute absorption figures could be headed for normalization in the near term.



Alamo City One of Best-Performing Retail Markets

The drivers behind San Antonio's retail market parallel those of Phoenix, and South Central Texas has long been a target for store expansions and domestic migration. San Antonio has had the nation's fastest-growing major city proper since 2020, according to the U.S. Census Bureau, released earlier this year.

Population growth has brought significant tailwinds for retail demand, as tenants have sought to lease space in fast-growing portions of the city and its suburbs. Between the beginning of last year's third quarter and the end of this year's second quarter, retailers absorbed 2.1 million square feet of inventory in the San Antonio market. That was roughly 400,000 square feet more than what was completed.

Key expansions from the likes of Crunch Fitness, Office Depot and Five Below have buoyed demand in the local retail market. H-E-B's ubiquitous and expanding presence around South Central Texas has stabilized grocery-anchored retail developments, encouraging other tenants to lease space alongside it.

As Kroger and Albertsons plan to sell more than 400 stores nationwide and contend with antitrust concerns from regulators, the San Antonio retail market features neither chain, relying instead on the locally headquartered H-E-B: the nation's sixth-largest privately owned company. H-E-B's consistent and growing business provides stability to many local neighborhood and retail centers, such as Lincoln Heights, where the retailer is developing its physical footprint to accommodate increased consumer demand.

Substantial absorption levels in grocery-anchored retail centers have narrowed the market-wide retail vacancy rate to 3.5% as of mid-September. This was 70 basis points lower than the national average, despite San Antonio seeing more retail development than any other major market in the country between the third quarter of 2022 and the second quarter of 2023 when controlling for the size of its existing inventory.

Future Growth

While the future remains uncertain due in part to a cloudy macroeconomic backdrop nationwide, optimistic trends are encouraging for Phoenix and San Antonio over the next few years. Demographic growth, in terms of population and median income, continues apace in these two markets, fueling retail in Arizona and Texas.

Because Phoenix and San Antonio are affected by the broader national economy, they have been affected by macroeconomic and environmental challenges of late. The ongoing drought in the Southwestern United States poses some risk to the longer-term outlook for these two markets, possibly affecting real estate development and demographic momentum. Still, Americans do appear to be continuing to move south and west, and "Super Sun Belt" retail markets such as Phoenix and San Antonio are likely to continue to grow alongside their expanding suburbs through the balance of the year.