

## Commentary from Cohen Asset Management

Phoenix's 4.2% employment growth in the 12-month period through November 2018 was second in the nation behind only the Orlando metro area. The nearly 87,000 new jobs created in that span was well above Phoenix's long term annual average of 40,000 to 50,000.

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### **Phoenix Saw Second-Highest Employment Growth in 2018**

By Corina Vanek | January 9, 2019



*A rendering of the Commons multi-building office development in Gilbert, AZ where Deloitte will occupy more than 100,000 SF to house 2,500 new employees.*

PHOENIX, AZ—Employment in the Phoenix area grew 4.2 percent during 12-month period that ended Nov. 30, 2018 — the second highest percentage growth of all metros nationwide.

According to CBRE research and the U.S. Bureau of Labor Statistics, the Phoenix area gained 86,800 new jobs over the period. Meanwhile, in 2018, CBRE tracked 105 job announcements with a combined 28,000 new jobs projected to be created during the next one to three years.

Jessica Morin, senior research analyst with CBRE, said 86,800 new jobs in a year is high for Phoenix, which has a long-term annual average of 40,000 to 50,000 new jobs.

Phoenix was second only to Orlando, which saw 4.8 percent job growth during the 12-month period.

Maricopa County's median wage was \$58,580 during 2017, according to the U.S. Census Bureau.

CBRE's research office tracks data from the Greater Phoenix Economic Council, the Arizona Commerce Authority and other media and company announcements of expansions or relocations to the Phoenix area, which generally only includes jobs that will pay above the county's median wage, Morin said.

There were 105 job announcements during 2018, up from 77 in 2017 and 82 in 2016, Morin said, adding she expects the trend to continue into the new year as the economy continues to do well nationally and talent continues to migrate to Phoenix.

By sector, software and technology companies led the pack with 33 announcements last year followed by manufacturing with 32, banking/finance/insurance with 14, and health care with eight announcements, Morin wrote in the report.

Most of the biggest announcements were in high-demand submarkets on the east side of the Valley. The two biggest announcements of the year, each for 2,500 jobs, were from Deloitte and Allstate, which will be located in Gilbert and Chandler, respectively. Mayo Clinic announced it will add 2,000 new jobs and expand its north Phoenix campus, which was the second-largest job announcement of the year.

“The new jobs represent office and industrial users that are generating demand for additional space and supporting local office and industrial fundamentals,” Morin wrote in the report. “Significant job announcements made during 2018 should support landlord, developer and investor confidence in 2019.”

Source: [Phoenix Business Journal](#)

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