

Phoenix

Looking ahead

The advanced manufacturing and back-office ecosystem in Phoenix, with a lower cost of living and positive demographic tailwinds, should continue to be advantageous for the local tech market, fostering innovation and fueling economic growth in the region.



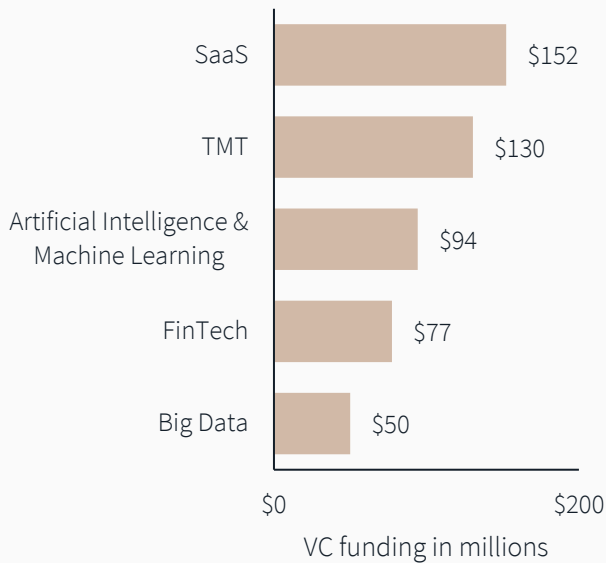
Technology Top 5

Office | Q1 2024

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1 SaaS and TMT represented 45% and 38%, respectively, of venture capital funding in Phoenix during the past year

VC funding by vertical Q2 2023-Q1 2024



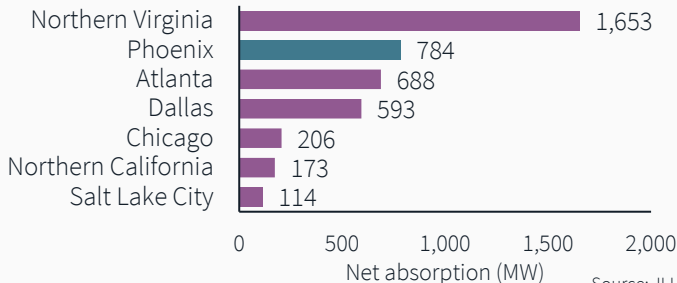
Source: PitchBook Data, Inc.

2 The Chips and Science Act continued to spur development in the Phoenix market, leading to more than \$100 billion investment in recent years

- TSMC investing \$65 billion, creating 6,000 new jobs
- Intel investing \$32 billion, creating 3,000 new jobs
- TSMC awarded \$6.6 billion in federal grants and \$5 billion in loans; Intel awarded \$8.5 billion in grants and \$11 billion in loans (across all projects) under the Chips and Science Act.
- Intel and Taiwan’s UMC announced a partnership that will reportedly lead to production in Arizona by 2027.

Sources: Semiconductor Industry Association, JLL Research

3 Phoenix ranked among top markets in the nation for net absorption of megawatts (MW) by data centers in 2023



Source: JLL Research

4 Educational institutions in Phoenix consistently produce a pool of highly skilled tech talent each year

University	Associates	Bachelors+
Arizona State University	n/a	9,926
University of Phoenix	530	1,473
Grand Canyon University	n/a	1,562
Maricopa Community Colleges	1,139	n/a

Note: 2022 Information Science and Computer Research Degrees
Sources: Lightcast, JLL Research

5 Employment growth in the technology sector should accelerate in upcoming years

71,323
Tech jobs by 2028

11.4%
growth in the next 5 years

Sources: Lightcast, JLL Research

Tech Stats

64,045 Tech employees
11.4% forecasted growth next 5 years

7,909 Tech companies
40.8% growth from 2020 to 2023

19,192 STEM graduates
Up 10.1% last 4 years
Top university: Arizona State University

\$339 million in tech venture capital funding since Q2 2023
SaaS was **44.9%** of the total funding

\$140,676
Tech worker average earnings
31st highest out of largest North American metros

\$12 billion Technology companies’ contribution to Gross Regional Product