


SOL Modern: Competitive Analysis & Lease-Up Strategy Blueprint

SOL Modern is poised to enter the Downtown Phoenix multifamily market at a pivotal time. Located in the vibrant Roosevelt Row submarket at 50 E Fillmore St, this 747-unit development will be competing in a market characterized by high construction activity, elevated vacancy rates, and strong but uneven absorption.

 by Michael Israel

Executive Summary

SWOT Analysis

Strengths

- Prime location in the arts-centric Roosevelt Row district
- Newest property in the submarket (2025 delivery)
- Larger unit count (747) allowing for more extensive amenities
- Opportunity to incorporate latest design trends and technology

Weaknesses

- Entering a market with elevated vacancy rates
- Significant new supply in the immediate area
- Higher price point (\$1,965 to \$4,645) in a price-sensitive market
- Unproven property with no established reputation

Opportunities

- Growing demand for remote work-friendly apartments
- Authentic integration with the arts community
- Enhanced sound insulation to address common noise complaints
- Wellness-focused amenities to differentiate from competitors
- Service-oriented management to address common pain points

Threats

- Continued oversupply in the Downtown Phoenix market
- Potential for further rent concessions from competitors
- Economic uncertainty affecting luxury rental demand
- Competition from newer suburban developments
- Rising construction costs affecting project delivery

Market Intelligence

Market Overview (2024-2025)

Vacancy Rates

- Phoenix metro vacancy rate: 11.7% (as of January 2025)
- Downtown Phoenix specifically mentioned as one of the areas with the highest accumulation of empty units
- Vacancy rates expected to peak in 2025, with gradual recovery anticipated by the end of the year

Rent Trends

- Average asking rent declined 0.4% on a trailing three-month basis through November 2024, to \$1,564
- 12-month rent growth: -1.9% (as of January 2025)
- Luxury properties facing steeper challenges with rents declining by 2.6% year-overyear

Absorption Rates

- Phoenix recorded 15,600-20,000 units of net absorption in 2024
- This represents an all-time high and significantly outpaces the pre-COVID five-year annual average of 7,200 units
- 2024 was the third time in the past four years where absorption totaled more than 12,000 units
- Despite record absorption, it has not kept pace with new deliveries

Construction & Supply

- Developers delivered more than 22,400 units in 2024
- Total new deliveries since the beginning of 2021: approximately 67,000 units (20% of previous inventory)
- An additional 27,000 units are under construction, representing 6.7% of existing inventory
- Phoenix ranks as the sixth most aggressively built apartment market in the U.S.

SOL Modern Property Details

- Location: 50 E Fillmore St, Phoenix (Roosevelt Row submarket)
- Unit mix: Studio to 3-bedroom units
- Current rental rates: \$1,965 to \$4,645
- Status: Under construction
- Units: 747
- Expected delivery: 2025
- Developer: bKL Architecture, LLC

Competitive Landscape Analysis

Competitive Matrix: SOL Modern vs. Roosevelt Row Competitors

Property	SOL Modern	Altura	The Stewart	Roosevelt Point	Linear	ILuminate
Address	50 E Fillmore St	330 E Pierce St	800 N Central Ave	888 N 4th St	295 E Roosevelt St	290 E Roosevelt St
Year Built	2025 (expected)	1999	2019	2013	2016	2016
Units	747	257	TBD	326	TBD	TBD
Studio Price	\$1,965+	\$1,300s+	\$1,292+	\$1,495	N/A	\$1,495+
1BR Price	\$2,200-\$2,800	Mid-range	\$1,500-\$2,500	\$1,475-\$1,645	\$1,595+	\$1,495+
2BR Price	\$2,900-\$3,700	High-range	\$2,500-\$4,250	\$1,899-\$2,120	\$3,460 max	\$3,195 max

Competitive Analysis Summary



Pricing Trends

Studio units: \$875-\$1,495, 1-bedroom units: \$1,300-\$2,700, 2-bedroom units: \$1,899-\$4,250, 3+ bedroom units: Up to \$4,645



Common Concessions

4-8 weeks free rent is standard across most properties. Concessions are more aggressive for lease-up properties (6-8 weeks). Stabilized communities typically offer 4 weeks free.



Amenity Packages

Standard amenities include pool, fitness center, outdoor grilling areas, bike storage, and parking (additional fee). Premium amenities include rooftop features, hot tub/spa, yoga studio, business centers, and entertainment spaces.

Strategic Opportunities

Based on the comprehensive competitive analysis of the Roosevelt Row multifamily market, several strategic opportunities have been identified for SOL Modern to differentiate itself and maximize its competitive position.



Enhanced Living Environments

- Superior sound insulation to address the most common complaint
- Premium kitchen package exceeding competitor offerings
- Comprehensive technology integration as standard



Lifestyle-Centric Amenities

- Wellness-focused facilities beyond standard fitness centers
- Best-in-class work-from-home spaces reflecting remote work trends
- Distinctive social spaces fostering community



Service Excellence

- Hospitality-inspired management model with guaranteed response times
- Comprehensive lifestyle services package
- Transparent billing practices with no hidden fees



Authentic Community Connection

- Integration with Roosevelt Row arts community
- Artist-in-residence program and gallery space
- Targeted digital presence highlighting neighborhood connection

Pricing & Incentive Framework

Optimal Base Rent Positioning

Studios (Estimated 500-600 sq ft)

- Base Rent Range: \$1,965 - \$2,300
- Positioning: 10-15% premium over comparable properties
- Target Demographic: Young professionals, remote workers seeking downtown lifestyle

1-Bedroom Units (Estimated 700-850 sq ft)

- Base Rent Range: \$2,200 - \$2,800
- Positioning: 8-12% premium over comparable properties
- Target Demographic: Single professionals, couples without children, remote workers

2-Bedroom Units (Estimated 1,000-1,200 sq ft)

- Base Rent Range: \$2,900 - \$3,700
- Positioning: 5-10% premium over comparable properties
- Target Demographic: Professional roommates, couples, small families

3-Bedroom Units (Estimated 1,300-1,500 sq ft)

- Base Rent Range: \$3,800 - \$4,645
- Positioning: Limited inventory in market allows for premium pricing
- Target Demographic: Families, professional roommates, executives relocating to Phoenix

Concession Structure Recommendations

Lease-Up Phase (First 6-9 Months)



Standard Concession Package: 6-8 weeks free on 12+ month leases, amortized over lease term

Tiered Lease Length Incentives: 12-Month (6 weeks free), 15-Month (7 weeks free), 18-Month (8 weeks free)

Early Move-In Incentives: First 50 Residents (additional 2 weeks free), Next 100 Residents (additional 1 week free)

Stabilized Property Phase (18+ Months)



Maintenance Concessions: 2-4 weeks free on 12+ month leases, only as needed

Seasonal Adjustments: Additional 1-2 weeks during slower leasing periods

Look & Lease Specials: Additional 1 week free for prospects who sign within 24-48 hours of tour

Stabilization Phase (9-18 Months)



Reduced Concession Package: 4-6 weeks free on 12+ month leases

Targeted Concessions for Slow-Moving Units: Additional 1-2 weeks free for specific floor plans or locations

Referral Incentives: \$1,000 rent credit (\$500 at move-in, \$500 after 6 months)

Go-to-Market Roadmap

Pre-Leasing Phase (3-6 Months Prior to Opening)

Timing & Milestones

- 6 Months Prior: Establish leasing office, launch website, begin building interest list, install construction site signage
- 4 Months Prior: Complete model units for photography/virtual tours, finalize branding, begin targeted digital marketing, host broker/influencer preview events
- 2 Months Prior: Launch full pre-leasing campaign, begin accepting applications and deposits, implement tiered early-bird incentives, host community preview events

Target Audience Prioritization

- Primary Targets:
- Urban Professionals (25-40)
 - Empty Nesters/Downsizers (55+)
 - Remote Workers
- Secondary Targets:
- Young Couples
 - Corporate Relocations
 - Local Move-Ups

Launch Strategy (First 90 Days)



Channel Mix Optimization

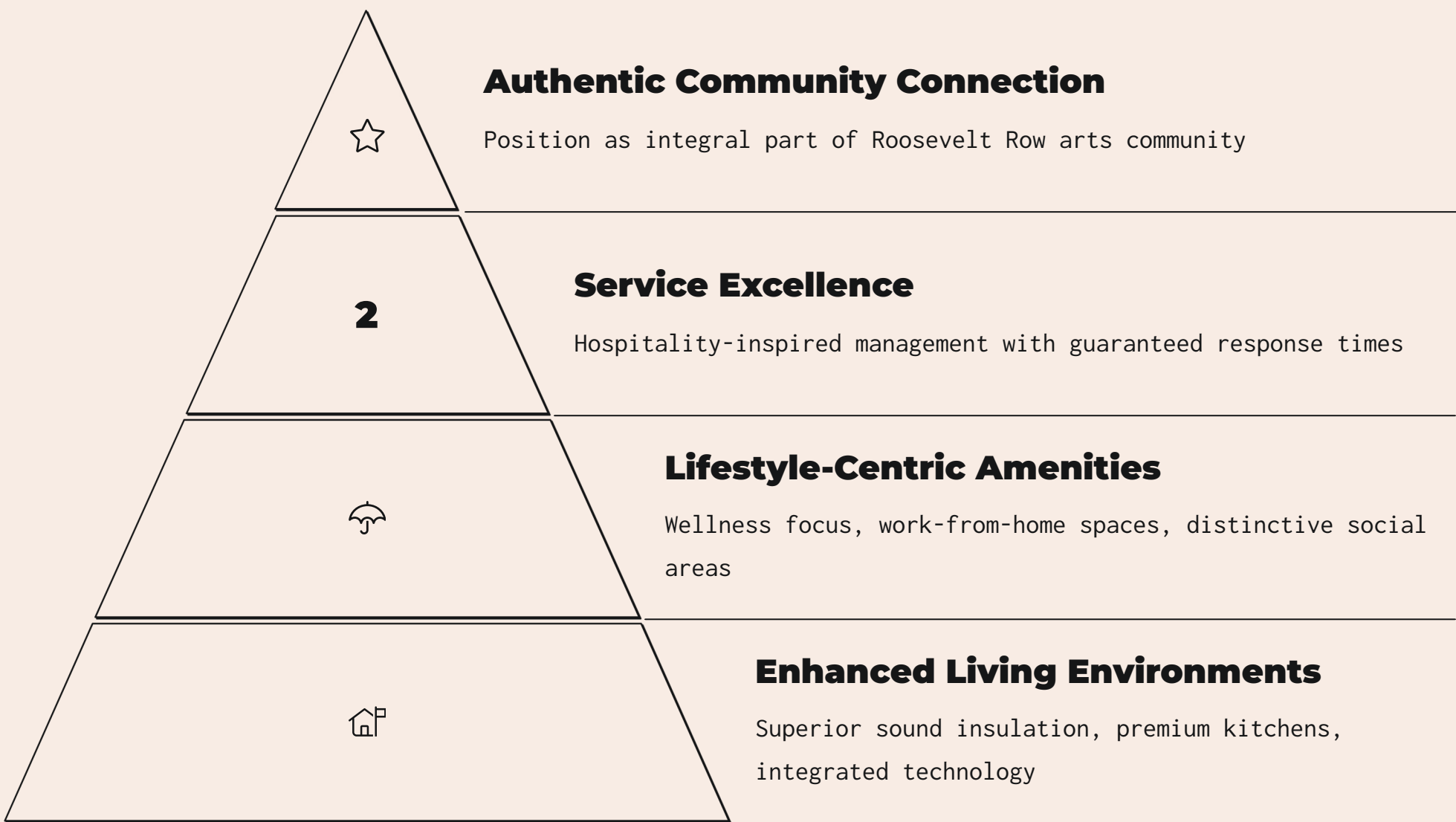
- Digital Marketing (50% of Budget): Paid search, geotargeted social media, retargeting campaigns, SEO optimization, virtual tours, email marketing
- Traditional Marketing (20% of Budget): Strategic billboard placement, print ads, direct mail, PR campaign
- Referral & Partnership Marketing (30% of Budget): Broker incentive program, corporate housing partnerships, relocation company relationships, local business partnerships, influencer marketing



Event Strategy

- Pre-Opening Events: VIP hard hat tours, broker preview parties, "Meet the Neighbors" mixer, design showcase
- Grand Opening Celebration: Multi-day event series, local artist installations, food and beverage from neighborhood restaurants, model unit tours
- Ongoing Event Calendar: Monthly resident social events, quarterly neighborhood block parties, seasonal celebrations, wellness workshops, professional networking events, art exhibitions

Opportunity Map



Implementation Priorities

Phase 1 (Pre-Opening)

- Finalize unit design with enhanced sound insulation and technology integration
- Develop distinctive amenity programming for wellness center and work-from-home hub
- Create art integration strategy with local artist partnerships
- Establish service model training for property team

Phase 2 (Opening)

- Implement comprehensive technology systems and resident app
- Launch lifestyle services program
- Begin community programming calendar
- Activate digital presence with professional content

Phase 3 (Ongoing)

- Regular resident feedback collection and service adjustments
- Rotating art program and cultural events
- Expanded lifestyle services based on resident preferences
- Continuous improvement of technology offerings

This opportunity map provides a comprehensive framework for positioning SOL Modern as the premier residential option in Roosevelt Row, with specific recommendations that address competitive gaps while creating distinctive experiences for residents.