



## Forecasting the future



Let us point you in the right direction -  
There are signs everywhere if you know where to look.

**JOHN DAHLIN**  
Managing Director  
602.222.5049  
[john.dahlin@colliers.com](mailto:john.dahlin@colliers.com)





## COLLIERS LOOKS TO THE FUTURE OF PROPERTY MANAGEMENT

Colliers International plans a reorganization of its services that will impact owners of office and retail properties. This merger of services will create a team-based service program designed with the property owner in mind. Property owners will work with one Strategic Unit Leader who will coordinate with various services based on client needs.

As part of this service package, Colliers pledges 100% Dependable Results.

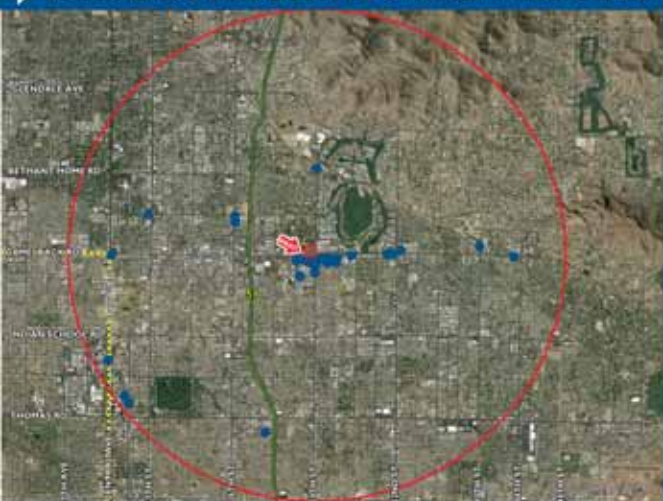
Colliers will begin by focusing on the following types of properties:

- Office building larger than 150,000 sf.
- Neighborhood retail centers with a demographic indicator for area residents with a disposable income of \$75,000 or greater within a three-mile radius.

This focused approach to owners' needs reinforces our focus on specialization. This specialized process of categorizing owners into similar groups allows Colliers to concentrate all of their resources for the benefit of the client.

**Competitive Circle™** is a comparison of the subject property to other properties with similar building occupancy, rental rates, building qualities, tenant mix, potential tenancy, market conditions, and sub-market conditions within a three-mile radius.

▶ **FIGURE 1: COMPETITIVE CIRCLE™ EXAMPLE**



### Colliers' package of services will include the following:

- ▶ Valuation
- ▶ Financing
- ▶ Improving the positioning of the property within the properties Competitive Circle™
- ▶ Leasing
- ▶ Management and Operations
- ▶ Acquisitions
- ▶ Dispositions
- ▶ Consulting Services

This new, specialized approach is characterized as **Micro-Area-Partnerships** between Colliers and our clients. This approach analyzes the micro-geographic area where the property is located and brings together a combination of geographic, demographic and product type analysis resulting in a more holistic approach to the property and end-goals of the client (Figure 1).

*"By 2020, the campus will have 15,000 students across 20 acres in downtown Phoenix. Once the campus is fully built, it will integrate academic, public, private and residential development in a diverse – and modern – living and learning environment. Many of the parking lots and one-story buildings that exist today around the campus will be replaced with more vertical buildings and community areas."*

### LIGHT RAIL — THE IMPACT OF ASU

The 1.3 billion dollar starter line for Light Rail, which will connect Phoenix, Tempe and Mesa, is expected to be open by December 2008. Officials believe it will be particularly popular with Arizona State University students attending the downtown Phoenix campus, as well as those going to school in Tempe.

This section should deliver 3,000-4,000 riders per day and is a critical link in making the two campuses work together. It is also a transportation connection that will expand the partnerships between various colleges within ASU and private industry that will be located along this transportation route. ASU is hoping to build student housing along the route. The goal is to have 4,000 student beds open and available by 2015. As the ASU Downtown Campus continues its rapid growth to a student population of 15,000 in the next several years, the possibilities for housing and service businesses along the transit route will explode.

*We're creating something that has not existed in Arizona, which is a truly urban university environment that lets students and faculty experience the educational process in the midst of an active city."*

*Memory Harrison,  
vice president and provost of the  
Downtown Phoenix campus.*

*Source: www.asu.edu/news*

As a result, we will see the stretch between Central Avenue and downtown Tempe become one of the most valued locations for new construction over the next 15 years. New office, industrial and multi-family construction will flock to various locations along this route so that their tenants will be able to use the light-rail to go to class, work, and shop.

## MANAGING PUBLIC/UNIVERSITY PROPERTIES

Management of what may be the largest university in the United States, across a large metropolitan area, will be an evolving science. It must integrate multi-use facilities, transportation, security, housing, highly specialized bio-tech facilities and public-private partnerships in the required real estate developments. Vertical development and redevelopment will increase along the light rail lines and in the downtown corridor.

The number of properties that support ASU and are supported by ASU will create management specialization requirements that do not exist today. Colliers International has become a service partner with ASU and City of Phoenix in the initial phase of the ASU Downtown Campus as this exciting push to the future begins (Figure 2).



**▶ JOHN DAHLIN**  
 Managing Director  
 Landlord Services  
 602.222.5049  
 john.dahlin@colliers.com

### According to the 2004 Elliot Pollack economic impact study on the Downtown Phoenix campus:

- ▶ An average of 1,300 jobs will be created annually, with an economic output of \$166.8 million.
- ▶ At full build-out, the project is expected to create 7,700 jobs, with an annual ongoing operational impact of \$569.5 million.
- ▶ During the construction phase, the state will collect an average of \$5.2 million annually in taxes and fees. Revenues for Maricopa County would be \$1.5 million, with \$1.7 million going to Phoenix.
- ▶ The annual operational impact of a fully built-out campus will create revenues for the state of \$18.7 annually, with another \$8 million going to the county and \$7.3 million to Phoenix.

### ASU DOWNTOWN CAMPUS EXPANSION – PROJECTED 2008

FACILITY	NUMBER OF BUILDINGS	SQUARE FEET	PROPERTY TYPE
Cronkite Building (Downtown Campus)	1	223,000 sf	Office/Classroom
ASU Downtown Residential (Dormitory)	1	750 Beds	Residential

### ASU PROPERTIES MANAGED BY COLLIERS INTERNATIONAL

FACILITY	NUMBER OF BUILDINGS	SQUARE FEET	PROPERTY TYPE
ASU Downtown Campus	4	524,000 sf	Mixed-Use
Brickyards on Mill Avenue, Tempe	4	400,000 sf	Mixed-Use
ASU Tech Building, Main Campus	2	140,000 sf	Research/Office

**▶ FIGURE 2: ASU DOWNTOWN CAMPUS**



2390 E. Camelback Rd, Suite 100  
Phoenix, Arizona 85016  
Phone: 602.222.5000  
[www.colliers.com/phoenix](http://www.colliers.com/phoenix)

14080 N. Northsight Blvd.  
Scottsdale, Arizona 85260  
Phone: 480.596.9000  
[www.colliers.com/scottsdale](http://www.colliers.com/scottsdale)

MIKE **FITZ-GERALD**  
Managing Director  
602.222.5038  
[mike.fitz-gerald@colliers.com](mailto:mike.fitz-gerald@colliers.com)



Colliers Macaulay Nicolls Inc., and certain of its subsidiaries, is an independently owned and operated business and a member firm of Colliers International Property Consultants, an affiliation of independent companies with over 240 offices throughout more than 50 countries worldwide.

This document has been prepared by Colliers International for advertising and general information only. Colliers International does not guarantee, warrant or represent that the information contained in this document is correct. Any interested party should undertake their own inquiries as to the accuracy of the information. Colliers International excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from.

*Our Knowledge is your Property*