



Forecasting the future



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

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2020 VISION

FAST FACTS - RETAIL

▶ AVONDALE

2007 Inventory	3.1 million sf
2007 Construction:	462,626 sf
Proposed Development*	384,212 sf
2007 Avg. Rent Rates	\$22.81/sf/nnn

▶ BUCKEYE

2007 Inventory	241,180 sf
2007 Construction	723,681 sf
Proposed Development*	44,450 sf
2007 Avg. Rent Rates	\$29.76/sf/nnn

▶ GOODYEAR

2007 Inventory	1.8 million sf
2007 Construction	383,195 sf
Proposed Development*	1.8 million sf
2007 Avg. Rent Rates	\$22.17/sf/nnn

▶ SURPRISE

2007 Inventory	3.1 million sf
2007 Construction	1.1 million sf
Proposed Development*	3.1 million sf
2007 Avg. Rent Rates	\$25.88/sf/nnn

*Proposed development refers to space that has been announced but not yet started the construction phase.

"Significant improvements are in the works for Loop 303, a major transportation hub in the far West Valley, according to the state's transportation chief. Victor Mendez, director of the Arizona Department of Transportation, said the eventual goal is to convert the Loop to a freeway, perhaps within 20 years."

The Arizona Republic, March 25, 2006

THE WEST VALLEY IS... THE NEW FRONTIER FOR RETAIL

The Phoenix Metropolitan area is projected to have a population of 5.4 million people by 2020, an increase of 1.5 million people. Approximately 50 percent of the growth in the next 20 years will be in the West Valley market (Goodyear, Buckeye, Surprise and Avondale). The availability of land and the infrastructure that has been so well planned by each city will create more development opportunities. Unlike Scottsdale, which has many land barriers (Indian land, Bureau of Land Management and Arizona State-owned land), the West Valley's only major barrier is the White Tank Mountains, which has already been circumvented. Developers are in the process of master planning over 50 square miles west of the White Tank Mountains. Sun Valley Parkway is already in place and loops around the White Tank Mountains going north from I-10 and connecting to Bell Road in Surprise. Buckeye has approved 400,000 new homes in master planned communities west of the White Tank Mountains.

750,000 population divided by 15,000 people per shopping center = 50 new shopping centers

LOOP 303...AN EXPLOSION OF DEVELOPMENT

Plans call for the Loop 303 freeway to traverse more than 40 miles of the West Valley—ultimately extending from the proposed State Route 801 (the future I-10 reliever freeway) a few miles south of I-10 in Goodyear to I-17 (Black Canyon Freeway) near Lone Mountain Road, two miles south of SR 74 (Carefree Highway) in Phoenix. (Source: www.adot.gov)

We have watched the slow acceptance of market activity around the Loop 101. This cautious approach to development will not happen on the Loop 303 due to the positive results that occurred on the Loop 101 in virtually every market segment. The Loop 101 created credibility. The Loop 303 freeway will see an explosion of new development faster than we had with the Loop 101. The City of Atlanta is a classic example of what will occur along the Loops 303 and 101 freeways. Large, multi-use projects that include mid-rise offices, retail and high density residential will become commonplace.

Since the opening of the Loop 101 and the success of Westgate and Cardinal Stadium, the next logical leap is to the Loop 303. Labor and population growth in the West Valley has and will continue to fuel construction of retail projects. There are approximately 3.3 million square feet of retail projects under construction, including two major malls planned in the next two to five years.

RETAIL DEVELOPMENT PROJECTS

- Estrella Falls is a 300-acre open-air regional mall being developed by Westcor and located in Goodyear north of I-10 at Estrella and Pebble Creek Parkways. The project will have nearly one million square feet upon completion and will be the first new outdoor mall in the West Valley. Estrella Falls will be developed and opened in phases, beginning with the power center in 2008 and the regional shopping center in Spring 2009.
- Prasada, a 3,000+ acre mixed-use project on Loop 303 between Greenway and Cactus Roads will have an 800-acre retail component. The joint-venture project between Westcor and RED Development will have approximately three million square feet of retail and restaurants at full build-out. Prasada completed the annexation and rezoning process in fall 2006. The next phase, starting in early 2007, entails creating infrastructure.

- At Home District is a ±475,000 square foot center being developed by SunCor Development Company, located at the southeast corner of McDowell Road and Bullard Avenue within the Palm Valley master-planned community in Goodyear. The center's concept brings top home furnishing retailers to a lifestyle center.
- The Cactus League spring training stadium for the Cleveland Indians at the southeast corner of Estrella Parkway and Yuma Road in Goodyear will include a retail center on 240 acres. The Ballpark Village will contain office space, retail shops, restaurants, loft-style housing and a hotel and conference center.

The city of Goodyear is talking with a private college to build a 100-acre campus at Estrella Parkway and Yuma Road. Goodyear will also build new municipal offices, including a library, on the northwest corner of Bullard Avenue and Yuma Road.

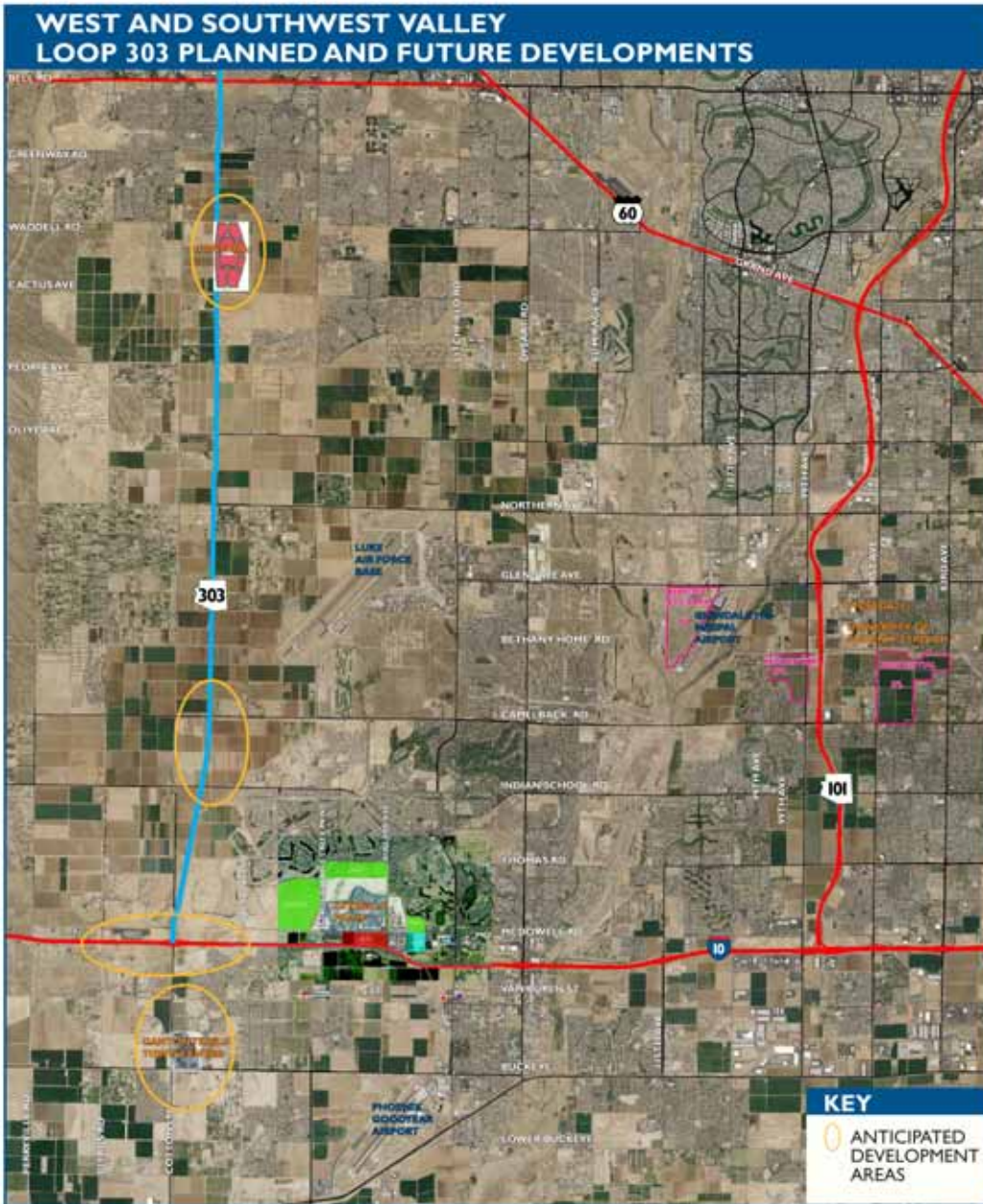
Glendale's second major development project in the Loop 303 corridor is a 738-acre master-planned project named Woolf Crossing, which will bring residential and commercial development to an area of the West Valley that is becoming more desirable. Woolf Crossing is located at the southeast corner of the Loop 303 freeway and Olive Avenue and will add more than 600 homes and several acres of commercial space.



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▶ **WOOLF CROSSING**



"So, as a two-lane country road in the far West Valley draws nearer to giving way to the new Loop 303, developers have been snatching up property along the corridor, from Surprise to Glendale to Goodyear. Businesses and cities consider freeway corridors to be prime real estate."

The Arizona Republic, Feb. 1, 2006

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