



2020  
VISION

## 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

### ► LOCATION

North:	Happy Valley Road
South:	Loop 101 Freeway
West:	35th Avenue
East:	7th Street

### ► ZONING

A-1	Industrial
C-1, 2, 3	Commercial
CP/BP	Commercial/Business Park
O	Office

### ► GEOGRAPHIC AREA / LAND

Geographic Area:	± 7,600 acres
State Land:	± 1,200 acres
Undeveloped Land:	± 900 acres

### ► NUMBER OF EMPLOYEES

Approximately ± 51,463 employees

### ► BUILDINGS AND SQUARE FEET\*

Building Usage	Number of Buildings	Percentage of Square Feet
Retail	40	16%
Office	57	36%
Flex	50	11%
Industrial	384	37%
<b>Total</b>	<b>531</b>	<b>100%</b>

\*Building Square Footage: ± 16.3 million sf

*"In 2006, over two million square feet of new product was developed in the Deer Valley Airpark."*

## THE PULSE OF DEER VALLEY

### DEER VALLEY AIRPORT...BUSIEST RELIEF AIRPORT IN THE NATION

Deer Valley Airport, recently named the busiest general aviation relief airport in the nation, announced plans to add additional hangers, a corporate aviation center, an avionics shop and is also considering adding a third runway. Most importantly, the Phoenix Deer Valley Airport has implemented encroachment procedures to protect and balance the noise and distance barriers between the airport's traffic increase and its residential and commercial neighbors.

### RETAIL GROWTH IN THE AIRPARK

The retail growth in the Deer Valley Airpark has added a new dimension to the area. As industrial and residential growth continues to bring new businesses and residents to the area, retail developments are providing products, service and entertainment to fill the demand. The retail growth, coupled with the industrial and residential increase, is in line with the City of Phoenix Deer Valley Village plans for a productive community (Figure 1).

### PROJECTS ANNOUNCED IN 2006 MAJOR EMPLOYMENT INCREASES

- USAA, presently one of the largest employers in Phoenix with 2,600 employees, announced plans to add up to 1,400 employees within the next year.
- Mortgage Lenders Network USA, Inc. announced plans to add 700 employees to its Deer Valley location at Pinnacle Peak Road and I-17.
- Arizona State Credit Union is currently constructing a new building on the southeast corner of I-17 and Pinnacle Peak Road, bringing additional employees to the area.

### DEER VALLEY BUSINESSES WITH MORE THAN 100 EMPLOYEES

Axiom	Hurley Dedicated Services
AERO Automatic Sprinkler	Jet Products
Aerotech Labs	Knox Box
Allstate Insurance Group	Lucent Technologies
American Express	Markham Contracting
Bell Concrete	Pauley Construction
Best Western International, Inc.	PETSMART Corp. Headquarters
Bista Enterprises	Phoenix Deer Valley Airport
Catalina Roofing	Phoenix Newspapers
Char Roberts Air Conditioning	Phoenix Police Department
CIGNA	PSCU Financial Services
Cintas	RDB Construction
Colonial Penn Insurance	Safeway Corporate Headquarters
Cox Communications	Sonoran Air Conditioning
CS Companies	Take Charge America
Deer Valley Lumber	Target
Deer Valley Unified School District	TATA
Epic Landscape Construction	USAA
Farmer's Insurance Group of Companies	UTI Headquarters
Gruber Industries	Vulcan Materials
Hintze Company	Waste Management
Honeywell	Wells Fargo Call Center

## BUILDING SALES...VALUE AND DEMAND

The price for Deer Valley land and buildings continues to rise as value and demand increases. While the price increase has been significant at an average of 7.5 percent per year, it continues to be a bargain compared to neighboring Scottsdale Airport. Deer Valley Airport continued its increase in sales and leasing activity in 2006. A slight shift toward leasing over buying is expected in 2007 due to the rise in interest rates.

Deer Valley continues to produce industrial, flex and office condos for sale or lease in response to the continuous flow of entrepreneurs who find this location highly desirable. Over 100,000 square feet are currently available or under construction.

### SALE AND LEASE RATES: TODAY & 2020 PROJECTIONS

PRODUCT TYPE		TODAY'S RATES	2020 RATE PROJECTIONS
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#### BUILDING SALES

Product	Category	Today's Rates	2020 Rate Projections
Office	New	\$185 - \$220 psf (shell)	\$250 - \$300 psf (shell)
	2nd Generation	\$165 - \$185 psf	\$285 - \$300 psf
Flex	New	\$160 - \$185 psf (shell)	\$200 - \$245 psf (shell)
	2nd Generation	\$105 - \$155 psf	\$195 - \$235 psf
Industrial	New	\$125 - \$150 psf (shell)	\$185 - \$220 psf (shell)
	2nd Generation	\$105 - \$115 psf	\$165 - \$200 psf

#### BUILDING LEASE

Product	Category	Today's Rates	2020 Rate Projections
Office	New	\$18 - \$22 psf/yr nnn	\$29 - \$35 psf/yr nnn
	2nd Generation	\$15 - \$18 psf/yr nnn	\$22 - \$28 psf/yr nnn
Flex	New	\$0.95 - \$1.45 psf/mo nnn	\$1.45 - \$1.85 psf/mo nnn
	2nd Generation	\$0.80 - \$1.20 psf/mo nnn	\$1.20 - \$1.50 psf/mo nnn
Industrial	New	\$0.85 - \$0.95 psf/mo nnn	\$1.25 - \$1.40 psf/mo nnn
	2nd Generation	\$0.66 - \$0.85 psf/mo nnn	\$1.00 - \$1.20 psf/mo nnn

#### INDUSTRIAL WAREHOUSE CONDO SALES

Product	Today's Rates	2020 Rate Projections
Office	\$185 - \$220 psf	\$250 - \$300 psf
Flex	\$150 - \$185 psf	\$200 - \$240 psf
Industrial	\$135 - \$150 psf	\$185 - \$220 psf

#### LAND SALES

Parcel Type	Today's Rates	2020 Rate Projections
1 - 15 Acre Parcels	\$13 - \$15.50 psf	\$30 - \$40 psf
15+ Acre Parcels	\$9 - \$12 psf	Unavailable
Frontage Parcels	\$18 - \$25 psf	\$35 - \$45 psf
Retail Parcels	\$18 - \$25 psf	\$45 - \$50 psf

## WHAT WILL DEER VALLEY AIRPARK LOOK LIKE IN 2020?

Deer Valley Airport continued its trend of rapid growth in 2006 with over two million square feet of new product, making development in 2006 the greatest increase in Deer Valley in a single year.

In the near future, commuters coming from Scottsdale and the North, South and West Valley areas will find Deer Valley a fantastic center of activity for business. Improved accessibility will result from the State's plans to expand I-17 north of Loop 101, extend Deer Valley Road to Tatum Boulevard, and connect Happy Valley and Cave Creek Roads.

Projections for 2020 remain consistent with the Phoenix Deer Valley Village plans. Expect 2.9 million square feet of buildings with 81,000 employees and pricing equivalent to that of Scottsdale Airport. We can anticipate steady growth with exceptional opportunities during the next 15 years for those interested in moving to and investing in the Deer Valley Airport.

## Forecasting the future



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### FIGURE 1: DEER VALLEY VILLAGE



*"We can anticipate steady growth with exceptional opportunities during the next 15 years for those interested in moving to and investing in the Deer Valley Airport."*



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