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ARIZONA COMMERCIAL REAL ESTATE



# DATA CENTER DESTINATION

Here's why Apple, Amazon and Microsoft are all setting up shop in Metro Phoenix

Iron Mountain's AZP-2 Data Center in Phoenix

**INSIDE:** Pinal County p. 62 | Valley Partnership p. 73

# BIG DEALS

## MULTIFAMILY/SALES



**\$178.5M** | DEER VALLEY VILLAGE APARTMENTS 3010 W. Yorkshire Dr. and 19645 N. 31st Ave., Phoenix  
BUYER: Millburn and Company SELLER: Priderock Capital Partners BROKER: NA

**\$129.5M** | ALMERIA AT OCOTILLO  
2470 W. Edgewater Way, Chandler BUYER: Sentinel Real Estate Corp.  
SELLER: Passco Companies BROKER: NA

**\$117M** | MONTREUX APARTMENTS  
5550 E. Deer Valley Drive, Phoenix BUYER: Pacific Development Partners  
SELLER: Statesman Group of Companies BROKER: NA

**\$84.5M** | RESIDENCES AT UNIVERSITY CENTER  
1260 E. University Drive, Tempe BUYER: Ideal Capital Group  
SELLER: DiNapoli Capital Partners BROKER: NA

**\$65.8M** | TIERRA DEL SOL APARTMENTS  
1711 S. Extension Road, Mesa BUYER: Aukum Management  
SELLER: Bridge Investment Group Partners BROKER: NA

## RETAIL/SALES



**\$126.5M** | **1,646,821 SF** PARADISE VALLEY MALL  
12820 N. Tatum Blvd., Paradise Valley BUYER: RED Development SELLER: Macerich BROKER: NA

**\$34M** | **127,100 SF** LIFE TIME FITNESS CENTER  
24700 N. 67th Ave., Peoria BUYER: Spirit Realty Capital  
SELLER: Life Time Fitness BROKER: NA

**\$27.75M** | **168,178 SF** SCOTTSDALE TOWNE CENTER  
15454-15784 N. Frank Lloyd Wright Blvd., Scottsdale  
BUYER: Mega Furniture SELLER: Vestar BROKER: NA

**\$27.5M** | **100,379 SF** COLLEGE PARK CENTER  
Camelback Road, Phoenix BUYER: Tierra Partners  
SELLER: 35 College Park LLC BROKER: NA

**\$26.15M** | **107,508 SF** HAYDEN STATION  
390 N. Mill Ave., Tempe BUYER: 390 N. Mill Ave., Tempe  
SELLER: YAM Properties BROKER: Cushman & Wakefield

# Shaping the future

Thoughtful zoning and design is at the heart of modern growth and development

**W**ith 300 days of sunshine every year, professional and college sports teams, more than 50 museums, 200-plus miles of hiking trails and no shortage of entertainment options, including restaurants, concert venues, movie theaters and shopping, Greater Phoenix provides residents and visitors with a wonderful place to live, work and play. With its abundance of activities and great quality of life, it's no surprise that our region also has become known for its rapid growth and development opportunities.

While many older residents, often proudly referring to themselves as "Valley natives," fondly remember the early days of Phoenix and its surrounding cities, thoughtful growth has provided the jobs, housing and entertainment options that make this area a unique and an enjoyable place to live for natives and newcomers alike.

The incredible growth that's come to the Valley of the Sun — including housing developments, medical and office complexes, entertainment centers and mixed-use developments — often has taken advantage of an area's need for infill development by putting vacant or underused properties to use. For example, in 2019, home developer D.R. Horton purchased 120 acres of vacant



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land for a large single- and multifamily community called Arabella. Plans for the development call for 420 single-family homes and 286 duplex/town homes, along with numerous amenities. This community model that includes single- and multifamily dwellings is popular around the Valley and offers residents comfortable housing options close to jobs and entertainment.

Also increasing in popularity are mixed-use developments that incorporate housing as well as office and commercial space. These types of multifunctional complexes allow owners to develop creative designs that benefit residents, workers and surrounding communities alike. For example, RED Development and Macerich's Paradise

Valley Mall redevelopment plans include an exciting mix of office, multifamily, grocery store, retail shops and other uses. This modern approach to design creates inviting spaces for community members to gather and enjoy life in sunny Arizona.

The Valley has also seen tremendous growth in the bioscience and tech sectors. Phoenix is home to industry leaders such as Honeywell, Intel, JDA Software and Insight. Further growth is on the horizon, with plans for a new semiconductor factory in the works. The Taiwan Semiconductor Manufacturing Co. purchased 1,129 acres of undeveloped land for \$89 million in December 2020.

While it is undeniable that the Valley has amazing things to offer its residents and workforce, our growth and development isn't a free-for-all where big developers or landowners can build whatever they please, wherever they please. Instead, there are systems in place to protect and enhance the character of each area of the Valley by ensuring our expansion is thoughtful and appropriate. Local governments enforce city codes and zoning ordinances — rules that describe various use categories, where such uses are appropriate, as well as the standards developments must meet and the processes companies must follow when they wish to develop or redevelop a particular property.

Despite a developer's best efforts to present thoughtful plans for a site, large-scale projects or major use changes often are met with controversy. While many Valley residents acknowledge the need for progress and growth, there are those who disagree and would prefer to see the growth occur elsewhere or with a different design. Common concerns are traffic and building height. Land use and zoning professionals can help developers and landowners of all sizes navigate the development process, ensuring we continue the trend of thoughtful and appropriate design enhancing the character of the Valley and the quality of life of its residents for generations to come. ■■■

Alicia "Ali" Bull is an associate attorney at Burch & Cracchiolo. Her practice focuses on land use and zoning law and commercial litigation.