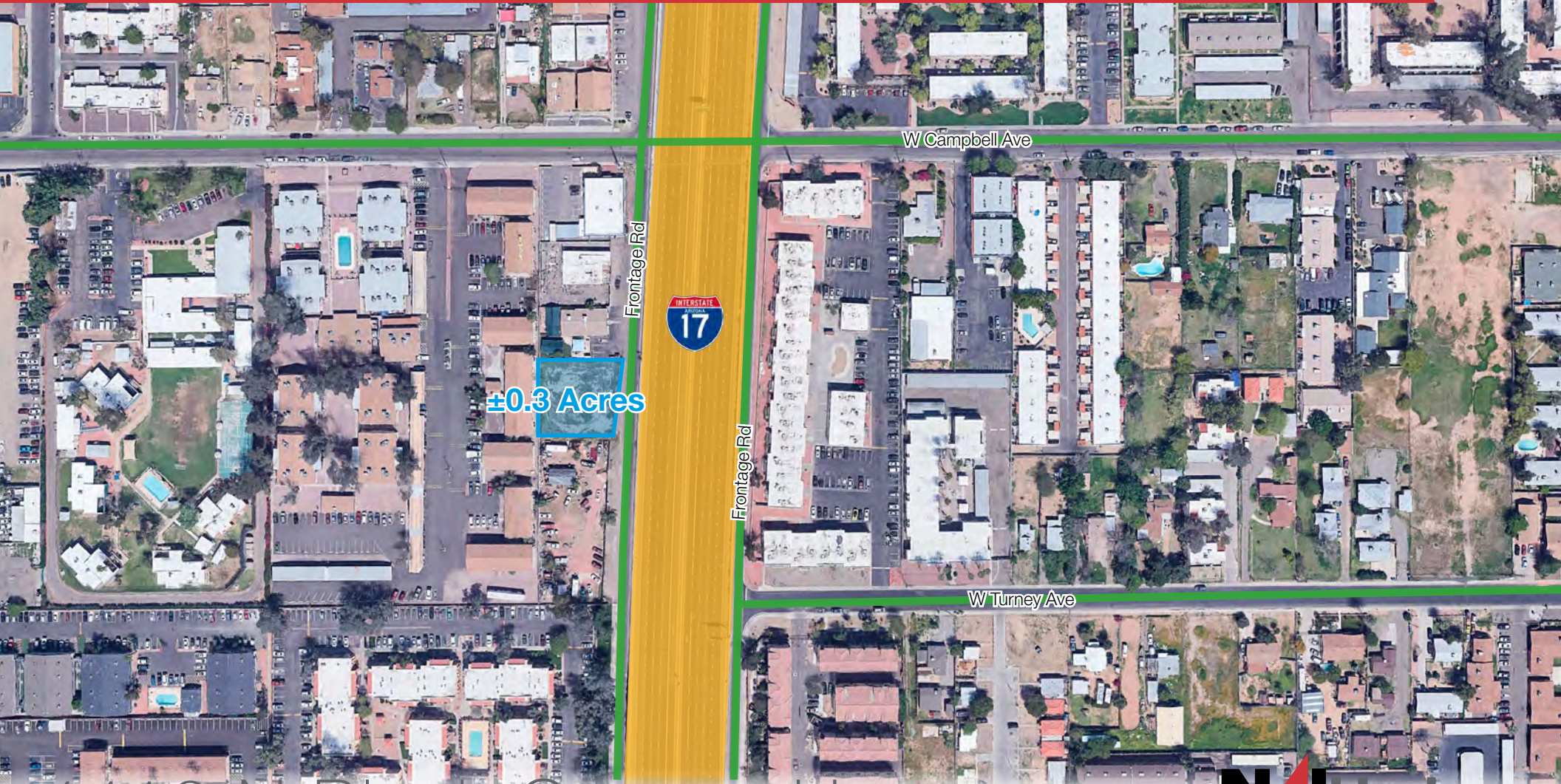


Multifamily Development Opportunity



4410 N Black Canyon Hwy
Phoenix, Arizona 85017

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naihorizon.com

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For more information:

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Multifamily Development Opportunity

Property & Location Highlights

- ±0.3 Acres (13,068 SF) south of Camelback Rd & Black Canyon Hwy
- R-5 Multifamily Zoning
- Parcel #: 154-18-018
- Dense and proven rental market within minutes of major employers and conveniences
- Easy navigation along Black Canyon Hwy frontage road
- Minimal site prep required
- Utilities to property
- Minutes to Downtown Phoenix, Sky Harbor International Airport, Metro Center, major employers and more
- Excellent freeway access
- Walking distance to bus line
- Just outside of Opportunity Zone



Contact agent for pricing

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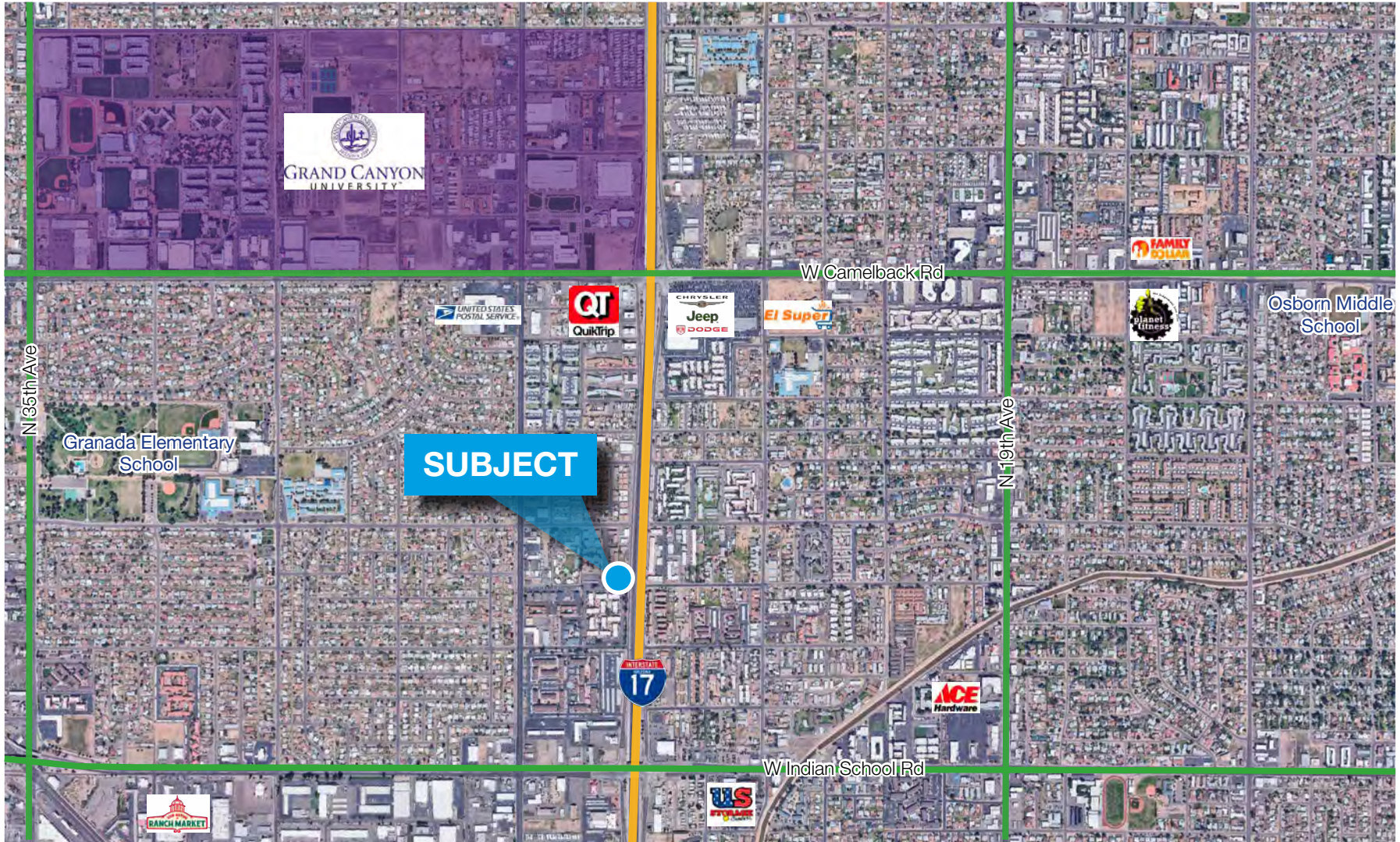
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Area Amenities



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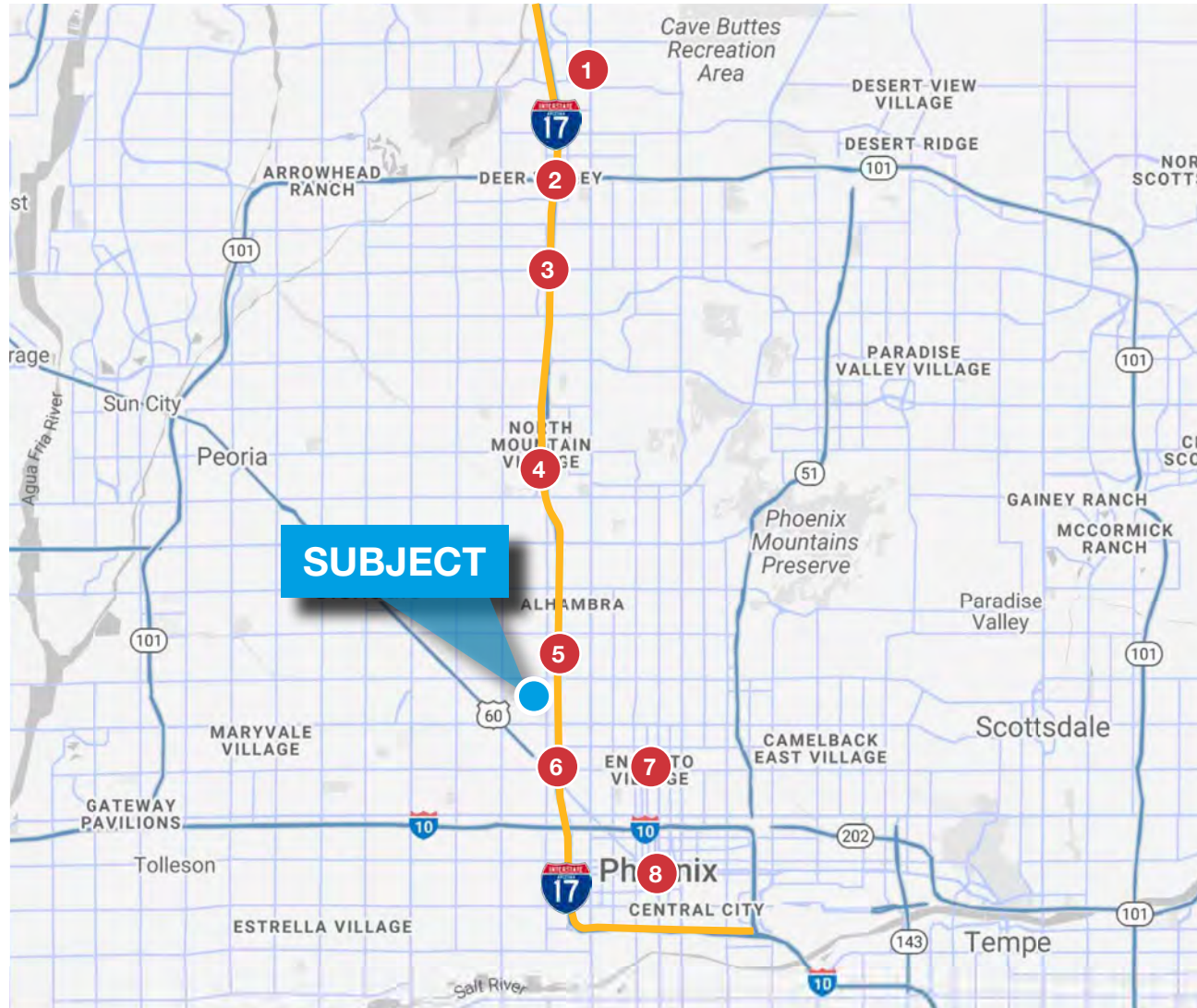
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Major Employers | I-17 Corridor



- 1 USAA (3,892 employees), Cigna Healthcare of AZ (1,574 employees), Farmers Insurance (698 employees), Chubb Group Insurance (546 employees)
- 2 American Express (6,764 employees), Honeywell (6,262 employees), Discover Financial Services (3,021 employees), Cox Communications (2,104 employees), Petsmart Inc (2,017 employees), Best Western (1,009 employees), Alorica (563 employees), Asurion (500 employees)
- 3 Waste Management of AZ (1,394 employees), Triwest Healthcare Alliance (1,000 employees), Consumer Cellular (850 employees), Empereon Marketing (500 employees),
- 4 Pinnacle West Capital Corporation (2,930 employees), Blue Cross Blue Shield of Arizona (1,602 employees), General Dynamics (1,131 employees), Ping Inc (770 employees), Cognizant Technology (600 employees)
- 5 Grand Canyon University (4,114 employees), Abrazo Healthcare (1,719 employees)
- 6 United Parcel Service (1,755 employees), Shamrock Foods Company (1,755 employees), Kenyon Plastering Inc (800 employees)
- 7 Dignity Health (5,114 employees), U Haul (4,760 employees), VA Medical Center (3,300 employees), Centurylink (907 employees), Cable One Inc (681 employees), Terros Inc (570 employees), Shasta Industries Inc (548 employees), Universal Services of America (500 employees)
- 8 Banner Health (10,041 employees), JPMorgan Chase (6,060 employees), Wells Fargo (4,285 employees), Quicken Loans (898 employees), The Arizona Republic (790 employees), Freeport Mcmoran Inc (790 employees), Uber (600 employees), Upgrade Inc (500 employees)

Source: City of Phoenix
 Note: All locations are approximate

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Multifamily Development Opportunity

Grand Canyon University

Located less than 2 miles from the Subject Property GCU has a bright future

The Beginning as Grand Canyon College

Grand Canyon College was chartered on Aug. 1, 1949, with 16 faculty and approximately 100 students in Prescott, AZ. In 1951, the college relocated to a 90-acre tract in West Phoenix and was fully accredited in 1968 by the Commission on Institutions of Higher Education. Established as a Baptist-affiliated institution with an emphasis on religious studies, the school initially offered bachelor's programs in education. Programs expanded to include the sciences, nursing, business, music and fine arts. It was during this time when the college started to develop a reputation for producing effective teachers, nurses and health care professionals in the Southwest.

Becoming Grand Canyon University

While planning to change in institutional organization and status to Grand Canyon University, Grand Canyon College identified several landmark events during this transition: organizing programs and departments into colleges, offering graduate degree programs, establishing the Grand Canyon University Foundation and the generosity of those who pledged or gave unrestricted gifts valued at \$1 million dollars or more. In May of 1984, college trustees voted to prepare for transition to university status on the school's 40th anniversary. Then GCU moved from being owned and operated by the Arizona Southern Baptist Convention to being self-owned by the Board of Trustees.

University Transformation and Investment

The university grew its campus student body from fewer than 1,000 students in 2009 to over 19,000 ground students in fall 2017, where the incoming student GPA was 3.5. By 2016, more than 75% of the university's traditional students study in rigorous STEM and business programs. GCU's nontraditional student body increased from approximately 22,000 students at the start of 2009 to over 60,000 online students currently. Over 47% of GCU's online student body is studying at the graduate level and that percentage is growing.

In total since 2009, the university had invested over \$1 billion dollars—and today, continues to invest in full-time faculty, improved technology infrastructure, new facilities and programmatic expansion in high-growth, high-demand areas such as engineering, computer science and IT. The university has been

able to self-fund these investments with only nominal increases in tuition for nontraditional students, while freezing tuition for traditional students for 10 straight years.

Community Transformation

One aspect of this transformative endeavor starts with the new development project at 27th Avenue and Camelback Road that's changing the face of the Canyon Corridor. Developed to be the gateway into West Phoenix, this new development will serve as a commercial hub featuring:

- A four-story office complex
- Renovated GCU Hotel, resort-style pool and fitness center
- Canyon 49 Grill and Grand Canyon Beverage Co. coffee shop
- Building that will be home to a future business, economic and education innovation center
- This development is only the beginning for reshaping West Phoenix into a destination of economic, tourism, business, employment and educational growth. Our new enterprises (GCU Golf Course, GCU Hotel, Canyon 49 Grill, Grand Canyon Beverage Co.) also play a role in reviving the local community.

Tremendous transformation is happening now, and the future looks even brighter.

University Development

GCU's campus continues to grow to meet the needs of students and cultivate world-class learning experiences. Here's a snapshot of the campus today - a home away from home for our Lopes:

- State-of-the-art GCU Stadium and GCU Arena
- Contemporary residence halls and apartments with resort-style swimming pools

- Recreation and fitness centers
- Student Union and popular eateries along Lopes Way
- Two new engineering classroom buildings dedicated to cutting-edge STEM learning
- The Grove - a community of four suite-style residence halls exclusively for freshmen
- Division I athletics, club sports teams, intramural sports teams
- Academic, professional, social and recreational clubs
- Academic and student support resources

Source: www.gcu.edu



GRAND CANYON
UNIVERSITY™

[Click to Learn More About GCU](#)

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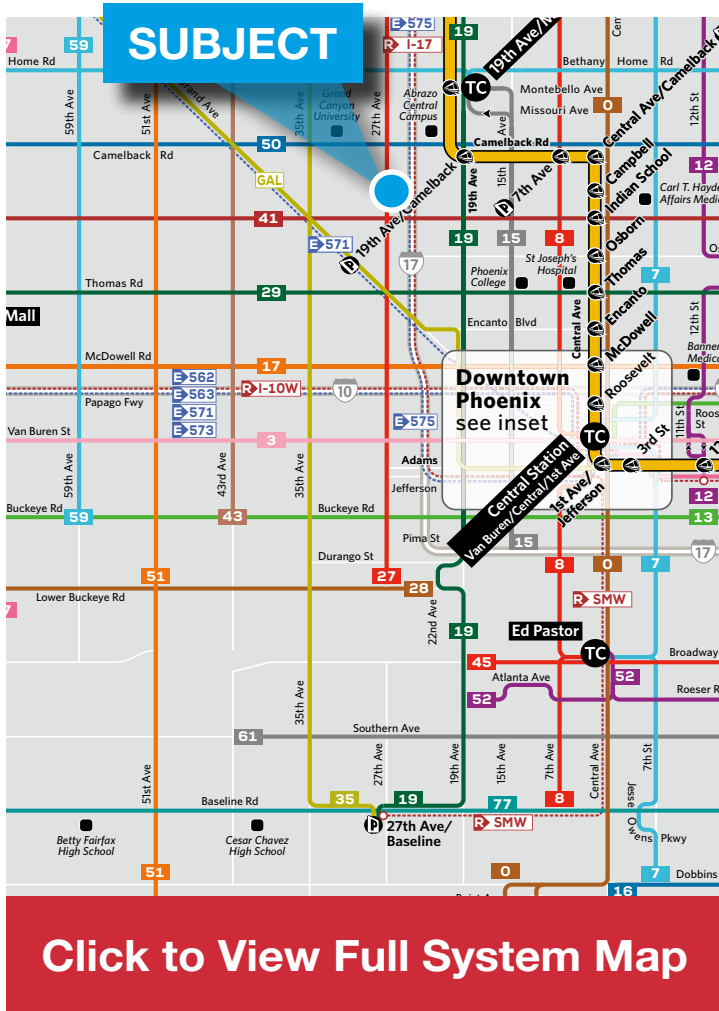
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Multifamily Development Opportunity

Valley Metro Transportation System

Light rail stop less than 2 miles from Subject Property | Bus stop less than .5 miles from Subject Property



Valley Metro

Valley Metro is the regional public transportation agency providing coordinated transit services to residents of metro Phoenix. From regional bus, light rail and paratransit service to alternative commuter solutions, Valley Metro's core mission is to develop and operate a network of transit services.

Mission

Valley Metro exists to connect communities and enhance lives.

What we do

We plan, build, operate and maintain a safe, regional, multi-modal transportation system.

History

Valley Metro Regional Public Transportation Authority (RPTA)

In 1993, Valley Metro, along with local governments, began funding a regional transit system that now covers 513 square miles.

Today, member agencies include Avondale, Buckeye, Chandler, El Mirage, Fountain Hills, Gilbert, Glendale, Goodyear, Maricopa County, Mesa, Peoria, Phoenix, Scottsdale, Surprise, Tempe, Tolleson, Wickenburg and Youngtown. The Valley Metro RPTA Board of Directors set policy for bus and paratransit services.

Valley Metro Rail

In 2002, Valley Metro Rail, Inc. was formed to design, construct and operate a 66-mile high-capacity transit system.

Member cities include Chandler, Glendale, Mesa, Phoenix and Tempe. The Valley Metro Rail Board of Directors sets policy while providing general oversight of the agency and its responsibilities.

Valley Metro services:

- Local, Express and RAPID commuter bus service
- Light rail
- Neighborhood circulators
- Rural route
- Paratransit service
- Vanpool service
- Commuter programs

Five-Year Strategic Plan

FY 2016-2020

Through 2020, Valley Metro is dedicated to practicing a well-planned and developed strategy that focuses on a number of ways to value and ridership. The plan, created with input from key stakeholders, includes a data-oriented comparison with peer agencies and best practices from the public transportation industry.

5 Goals, 5 Years

Valley Metro has set out a handful of goals to operate a more high-value, all-inclusive program of ridership around metro Phoenix.

- Increase customer focus
- Advance performance-based operations
- Increase transit ridership
- Focus on economic development, regional competitiveness and financial resources
- Advance the value of transit

Source: www.valleymetro.org

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Multifamily Development Opportunity

Commercial Building & Permits

Commercial Process Overview

A commercial building permit is required for residential construction involving multi-family projects of three or more units, condominiums, and apartment buildings as-well-as non-residential construction including new construction, remodels, additions, tenant improvements and changes-of-use. The permit is issued when structures are designed in accordance with the building codes and all other applicable codes and ordinances, to ensure the safety of the building and its' inhabitants.

Some steps in this process may not be necessary, depending on the type of project. For example, a tenant improvement may not have any site issues while a new project or building addition would.

New commercial projects require preliminary site plan approval before building plans can be submitted for review. The first step in the site plan approval process is the site pre-application meeting. You can access this link to find for a Pre-Application Submittal Checklist Commercial, Multi-family, and Subdivision (PDF) or a Pre-Application Submittal Checklist Downtown Code/Walkable Urban Code Projects (PDF). A Preliminary Site Plan Checklist (PDF) can also be accessed.

Once preliminary site plan approval has been obtained, building plans may be submitted for review. Licensed professionals are required to prepare building plans for new commercial construction. Customers are advised to review the criteria for services of design professionals, ensure their licensing is up to date and review the Commercial Building Permit Submittal Checklist (PDF).

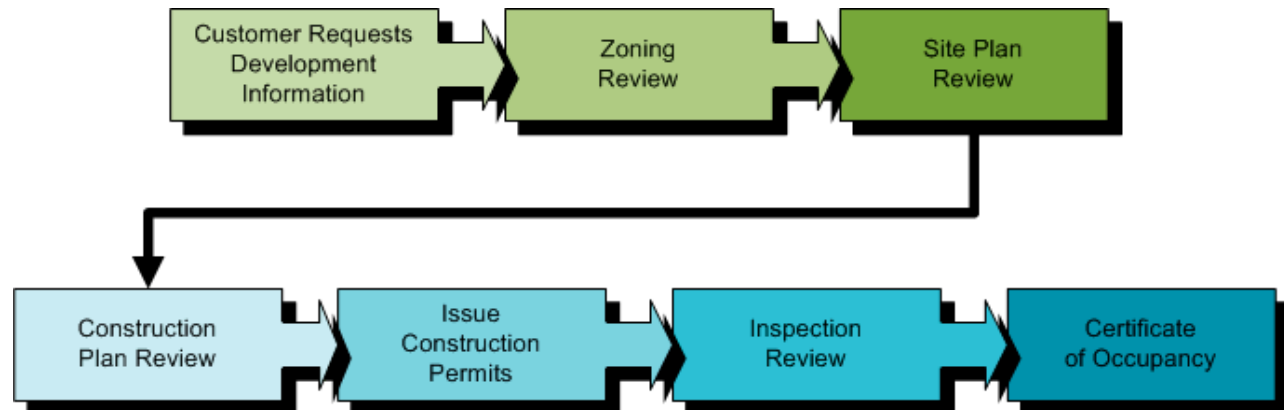
When ready to submit building plans the customer contacts the project team for a pre-submittal meeting. After authorization, the customer submits the required building plans, site plan and Construction Permit Plan Review Application (PDF) sheet at the payments and submittals counter. Plan review fees are collected upon submittal.

Staff reviews the plan for compliance with the approved preliminary site plan, project conditions of approval, the required building plan checklist and all applicable codes and ordinances. The assigned site planner reviews the site plan for approval. If corrections are required, staff will contact the customer to pick up plans, make corrections and re-submit for another review. Once approved, staff will create the necessary permits and contact the customer for pick-up.

Note: If a third review is required, additional fees must be paid.

The customer pays the appropriate permit fees and is given the building permit(s) and approved plans.

**Click to Learn
More About
the City of
Phoenix's
Commercial
Permitting
Process**



Source: www.phoenix.gov/pdd/development/permits/commercial/process-overview

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Multifamily Development Opportunity

Multifamily Development Market

Multifamily Market Overview

Summary

Phoenix multifamily fundamentals have improved since the onset of the pandemic, and vacancies have compressed to a historic low. Before the coronavirus, fundamentals were solid and supported by some of the country's strongest employment and household growth and low levels of single-family inventory. While the multifamily sector has not been immune to the impact of the pandemic, it has fared better than other commercial property types. Much of that positive performance was bolstered by federal and state aid that has helped people pay the rent and eviction moratoriums that have kept renters in their apartments.

Net absorption accelerated in the second half of 2020, despite a slow start to the year, and outpaced new supply. Vacancies compressed to a record low in mid-tier apartments. Despite healthy conditions, landlords will need to brace for a wave of deliveries. The construction pipeline is robust and limited to top-tier rentals, whereas demand for affordable units has surged. The mismatch in supply and demand will likely push up 4 & 5 Star vacancies in the near-term.

Phoenix's demand drivers are even stronger than before. Historically, the Valley of the Sun has attracted people in search of affordable living and job opportunities. This trend will accelerate due to work-from-home arrangements that will lure renters from pricey West Coast markets.

Despite robust population growth over the past several years, single-family development has not kept pace, and pricing has soared. Phoenix has been a top market for home price appreciation for the past few years. Low inventory and unwavering price escalation will continue to force some would-be homeowners into the renter pool.

Investors are bullish on Phoenix, and competition for multifamily assets has increased, especially among out-of-state buyers. The market had set new records for investment in 2018 and 2019. The pandemic set 2020 off course, but investment rebounded in the second half of the year. Pricing has surged, and cap rates have compressed below 5.5%. Despite the contraction, Phoenix still offers a 50-150-basis-point spread over California rates, which is driving yield-motivated investors to the market.

Construction

Completions exceeded 8,000 units for a third consecutive year in 2020, and the supply wave isn't over. A record level of new supply is on pace to deliver over the next four quarters. About 18,000 units are underway, and once completed, the market's inventory will expand by 5.4%. Despite the substantial pipeline, there is a disconnect between the demand for larger and more affordable units and new supply. Nearly all of the new developments underway are 4 & 5 Star buildings, and there is a potential undersupply of two- and three-bedroom units.

Downtown Phoenix leads all other submarkets for new construction, with more than 5,000 units underway. Downtown Phoenix's revitalization has made the submarket a top destination for millennials and multifamily development over the past few years. The concentration of new supply is near Roosevelt Row Art District. Trammell Crow Company's The Fillmore is the largest project under construction. The 4 Star, 609-unit apartment complex is located on Fifth Avenue and Fillmore Street and will deliver in 22Q4. Within a 1-mile radius of the project, about a dozen other luxury apartment buildings are under construction.

Aside from downtown's explosive growth, submarkets in the metro's Southeast region continue to receive high levels of new supply. Developers seek to capitalize on the area's concentration of affluent renters and employment growth, stimulated by several corporate expansions and relocations. About 25% of the units underway in the market are in Gilbert, Tempe, and Chandler. Banyan Residential is building two apartment communities in the Tempe submarket. Banyan Washington, a 4 Star, 223-unit mid-rise north of Tempe Town Lake, is slated to deliver in 21Q4. Construction is also underway on Banyan's Scottsdale Entrada in March. The 736-unit apartment complex is part of a mixed-use development in an opportunity zone.

Multifamily builders have returned to the West Valley and are attempting to keep up with the area's robust population growth. Single-family build-to-rent communities accounted for more than half of last year's multifamily deliveries in the submarket. Single-family rentals have the interior layout and backyard that a residential home provides, but they still perform like a multifamily rental and appear in CoStar analytics as such. Early this year, NexMetro began construction on two single-family rentals totaling 375 units: the Avilla Magnolia near South Mountain and Avilla Canyon in North Phoenix. Both communities are slated to deliver late next year.

Roughly 90% of units underway are 4 & 5 Star units that command high rents, mainly due to developers' need to counteract the rising costs of developing land, entitling property, and construction. The unmet demand for affordable housing could present severe consequences since the dwindling supply of lower-tier rentals has put consistent upward pressure on rents. The lack of affordable supply has become a mounting concern, especially since the pandemic has had an outsized impact on lower-income renters. Areas with a full construction pipeline, developers have also branched out to other growing but overlooked regions of the metro in the West Valley and Deer Valley submarkets.

Source:www.costar.com

City of Phoenix Building
Permits
(10 or More Family Units)
*as of 4/6/2021



465

Permits Issued Since Last Year

100

Permits Issued YTD

38

Permits Issued March 2021

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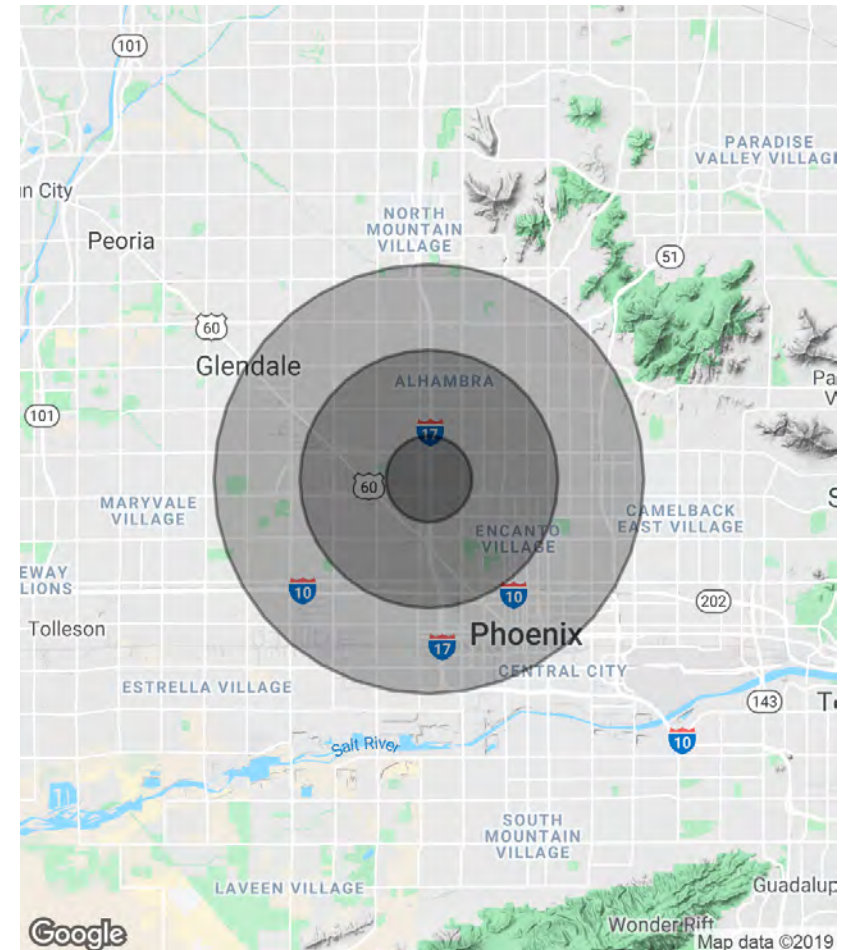
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Property Demographics

DEMOGRAPHICS	1 Mile	3 Miles	5 Miles
2020			
Population	31,219	190,426	507,202
Households	9,236	65,084	176,483
Avg Household Size	3.36	2.90	2.81
Owner Occupied Housing Units	26.2%	37.2%	38.2%
Renter Occupied Housing Units	54.1%	47.3%	47.9%
Average Household Income	\$43,328	\$61,788	\$65,142
2025			
Population	33,157	203,635	542,850
Households	9,797	70,038	190,908
Avg Household Size	3.36	2.88	2.79
Owner Occupied Housing Units	26.2%	37.2%	38.2%
Renter Occupied Housing Units	54.3%	48.4%	49.2%
Average Household Income	\$47,657	\$67,925	\$71,608



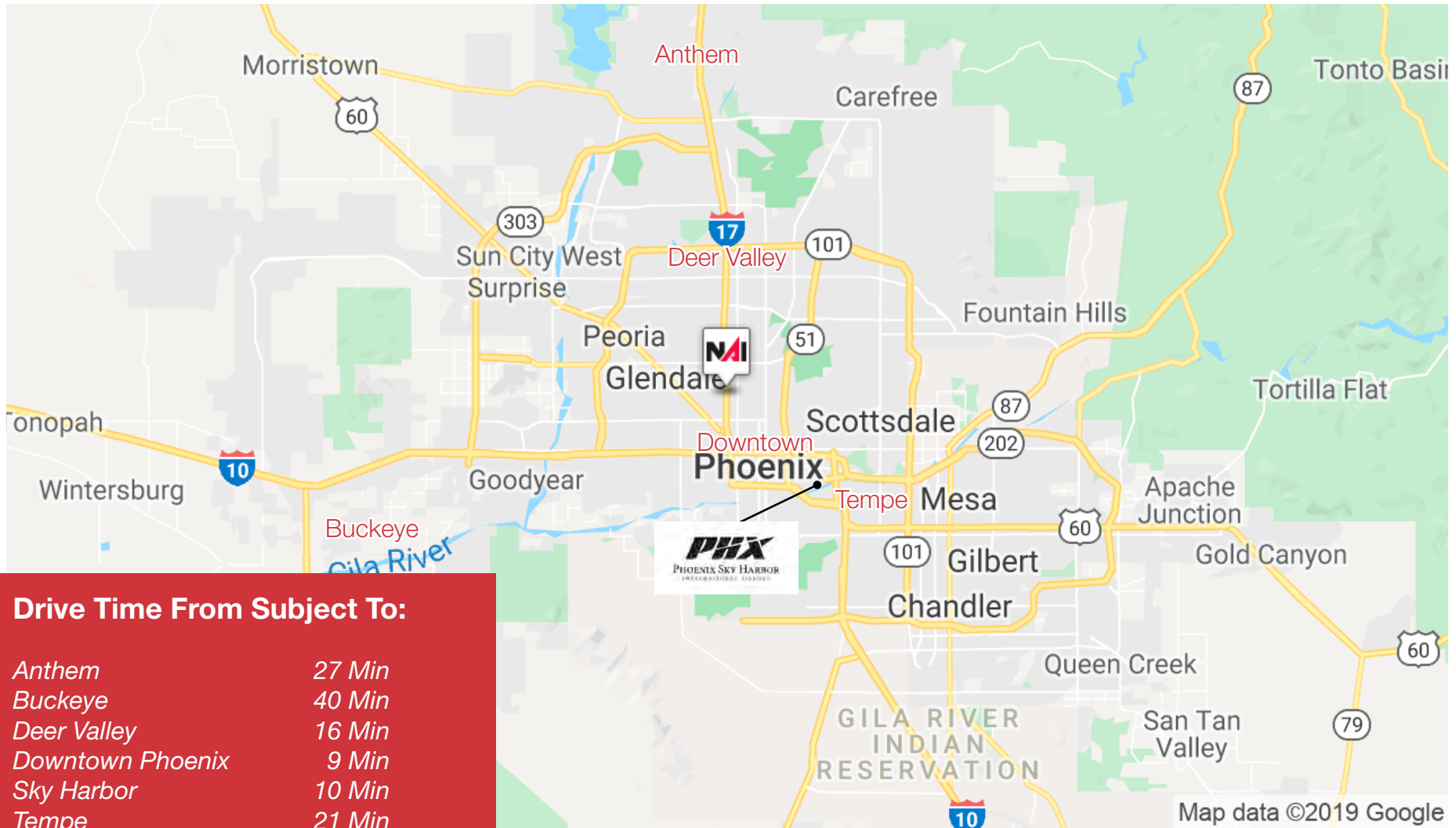
[<Click to View Full Demographic Report>](#)

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Multifamily Development Opportunity

Proximity Map



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