

North Valley Parkway & Norterra Parkway - Phoenix, Arizona



DEMOGRAPHICS (Source: SitesUSA)

	1 Mile	3 Miles	5 Miles
Estimated Population (2016)	10,079	23,247	73,946
Projected Population (2021)	10,829	25,206	80,207
Estimated Avg. Household Income (2016)	\$104,422	\$97,513	\$91,298
Projected Avg. Household Income (2021)	\$123,370	\$114,103	\$106,484
Average Household Size (2016)	2.6	2.6	2.6
Total Daytime Employees (2016)	347	9,479	43,525
Median Age (2016)	31.1	31.8	34.2

TRAFFIC COUNTS (2012 Source: KSS Fuels)

Norterra Parkway	14,849
North Valley Parkway	3,437
Total Cars Per Day	18,286



DE RITO PARTNERS, INC

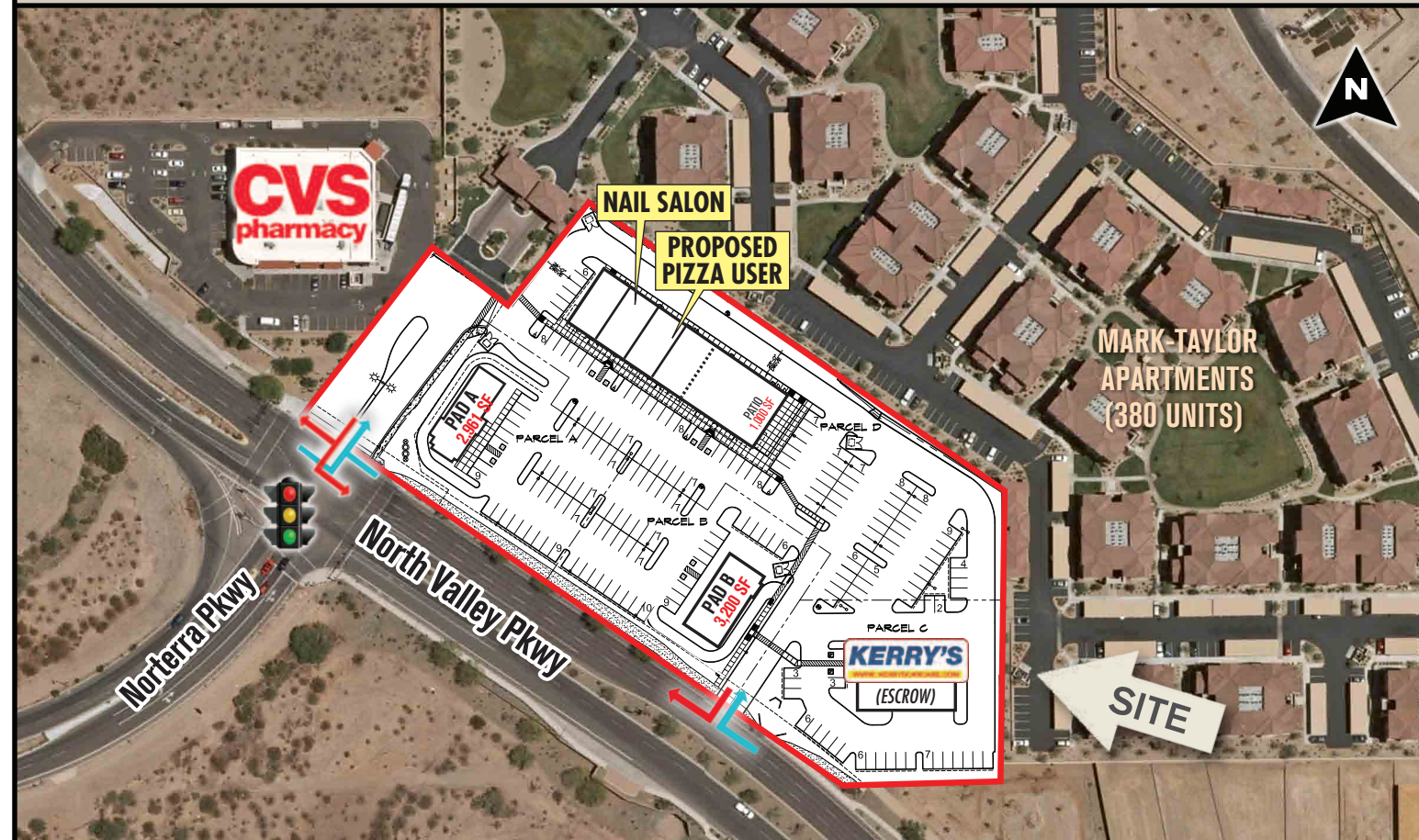
The information provided is gathered from sources deemed reliable. However, De Rito Partners makes no representations, warranties or guarantees as to its accuracy. The information has not been independently verified or confirmed by De Rito Partners. The information provided should not be relied upon to make any leasing or purchasing decisions. This statement with the information it contains is given with the understanding that all negotiations relating to the purchase, renting or leasing of the property described above shall be conducted through De Rito Partners.

NORTERRA FIESTA

FOR LEASE

North Valley Parkway & Norterra Parkway - Phoenix, Arizona

4.9 ACRE COMMERCIAL SITE IN THE NORTH CANYON CORRIDOR



For further information contact:

For Pads, Contact:

PAUL SERAFIN

(602) 553-2943

paul.serafin@derito.com

JEFF SCHONBERGER

(602) 553-2933

jeff.schonberger@derito.com

For Shops, Contact:

CARL JONES, JR.

(602) 393-0117

carl.jones@derito.com

JEFF SCHONBERGER

(602) 553-2933

jeff.schonberger@derito.com

3200 E. Camelback Rd., Ste 175, Phoenix, AZ 85018

o. 480.834.8500 f. 602.381.1981

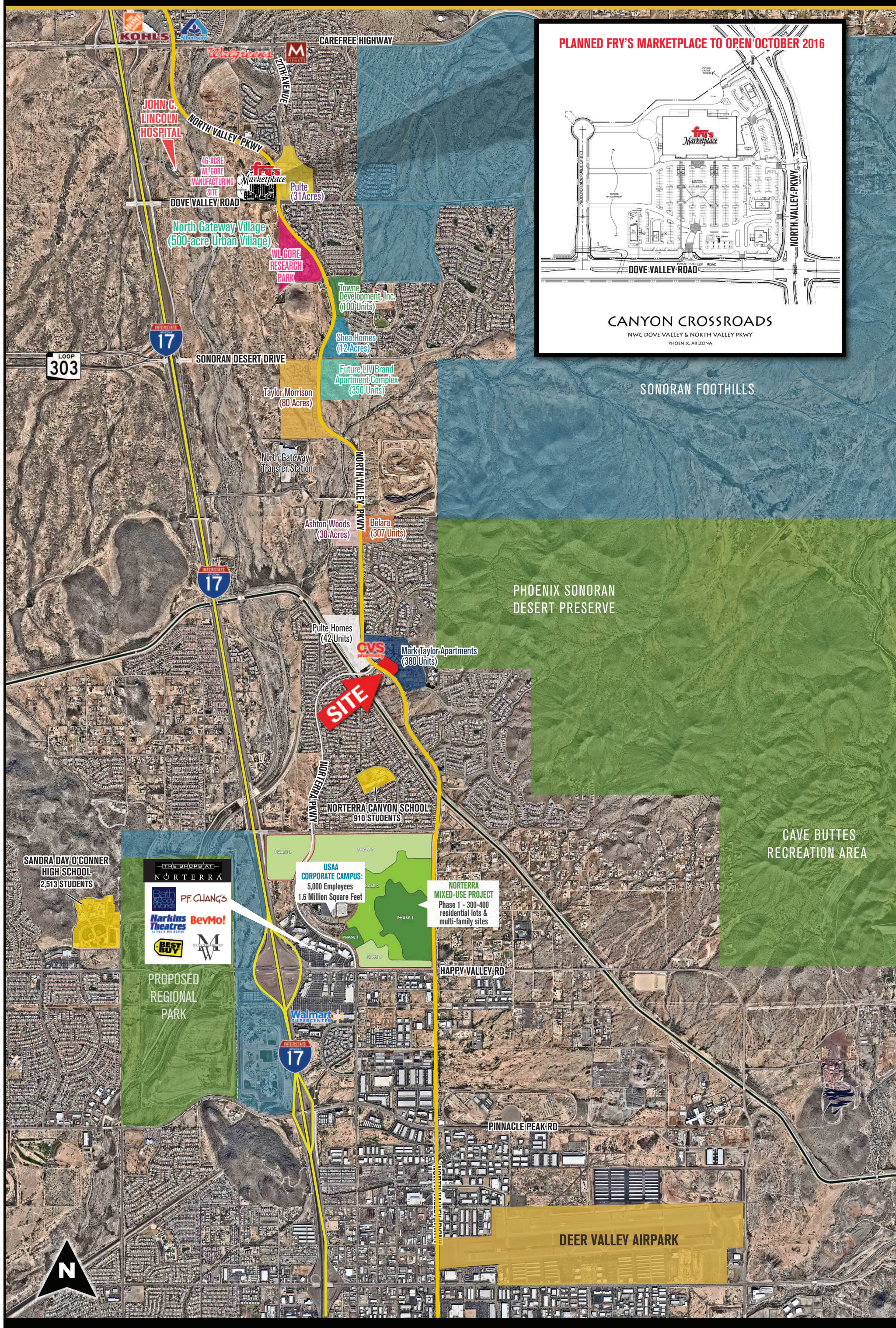
www.derito.com

PROJECT HIGHLIGHTS

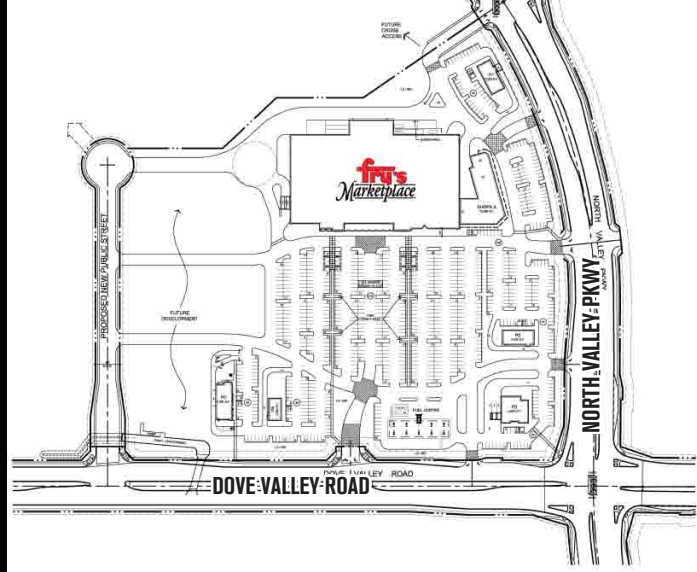
- Above average household income of \$104,422 in a 1-mile radius
- 550 +/- feet of frontage on North Valley Parkway
- North Valley Pkwy & Norterra Pkwy converge at this intersection which access the surrounding residential communities
- Major employment in the area includes:
 - USAA - 1.6 million square feet and 5,000 employees
 - WL Gore Co., 40-acre R&D facility two miles to the north
 - Honeywell, American Express and Discover Card along I-17
 - The Deer Valley Airpark - sustaining over 33,000 jobs, to the south along North Valley Parkway / 19th Avenue
 - John C. Lincoln Sonoran Health - now open with 40,000 SF and future medical campus

DE RITO PARTNERS, INC

The information provided is gathered from sources deemed reliable. However, De Rito Partners makes no representations, warranties or guarantees as to its accuracy. The information has not been independently verified or confirmed by De Rito Partners. The information provided should not be relied upon to make any leasing or purchasing decisions. This statement with the information it contains is given with the understanding that all negotiations relating to the purchase, renting or leasing of the property described above shall be conducted through De Rito Partners.



PLANNED FRY'S MARKETPLACE TO OPEN OCTOBER 2016



CANYON CROSSROADS

NWC DOVE VALLEY & NORTH VALLEY PKWY
PHOENIX, ARIZONA

SONORAN FOOTHILLS

PHOENIX SONORAN
DESERT PRESERVE

CAVE BUTTES
RECREATION AREA

THE SHOPS AT NORTERRA

- PF. CHANG'S
- Best Buy
- Walmart
- Markins Theatres
- BevMo!

USAA CORPORATE CAMPUS:
5,000 Employees
1.6 Million Square Feet

NORTERRA MIXED-USE PROJECT
Phase 1 - 300-400 residential lots & multi-family sites

SANDRA DAY O'CONNOR
HIGH SCHOOL
2,513 STUDENTS

PROPOSED
REGIONAL
PARK

Walmart
SUPERCENTER

HAPPY VALLEY RD

PINNACLE PEAK RD

DEER VALLEY AIRPARK



NAIL SALON

PROPOSED PIZZA USER

**MARK TAYLOR
388 UNITS**

**SHOPS A
12,800 SF**

**PADA A
2,961 SF**

**PATIO
1,000 SF**

PARCEL A

PARCEL D

PARCEL F

**PAD B
3,200 SF**

PARCEL C

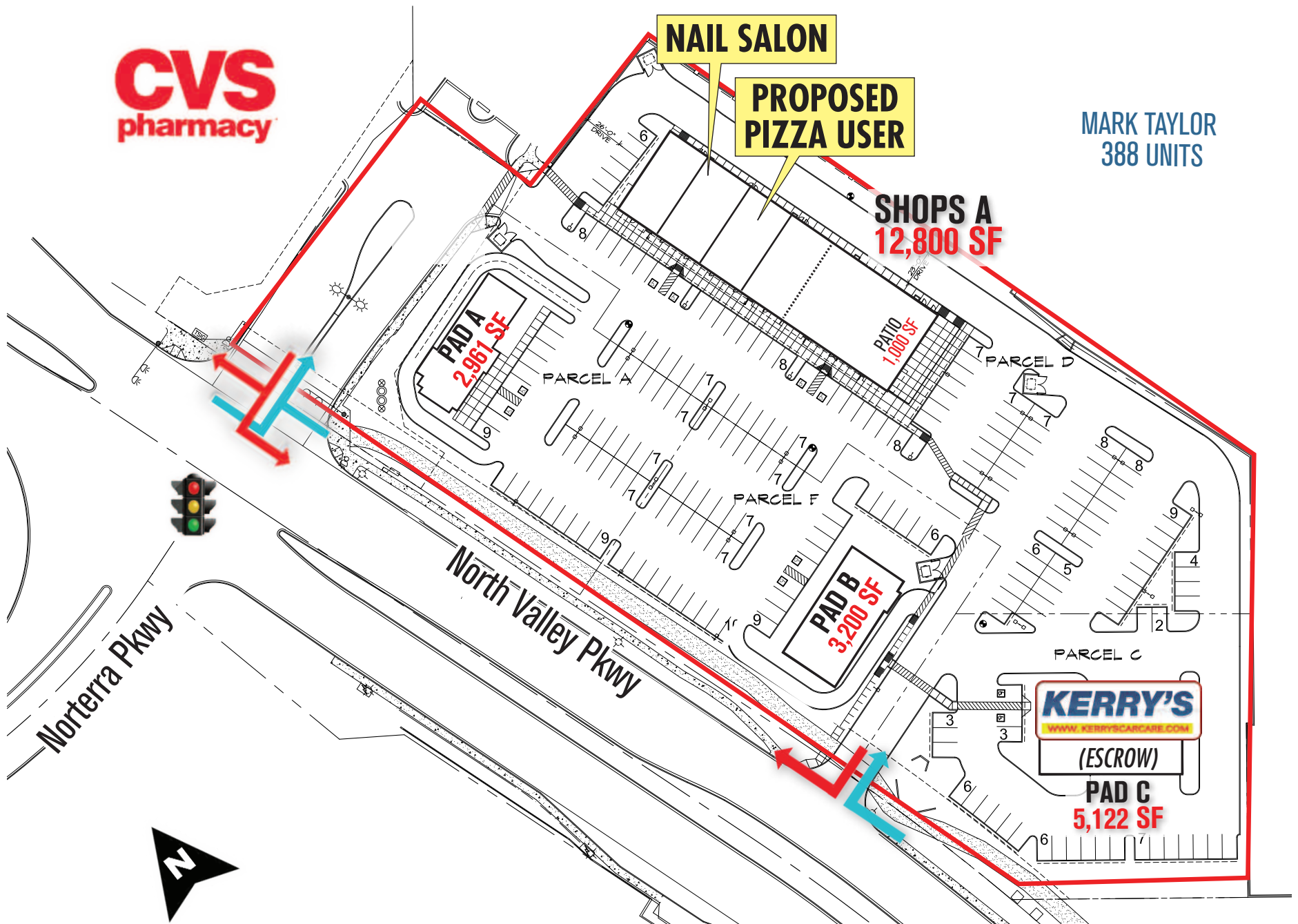


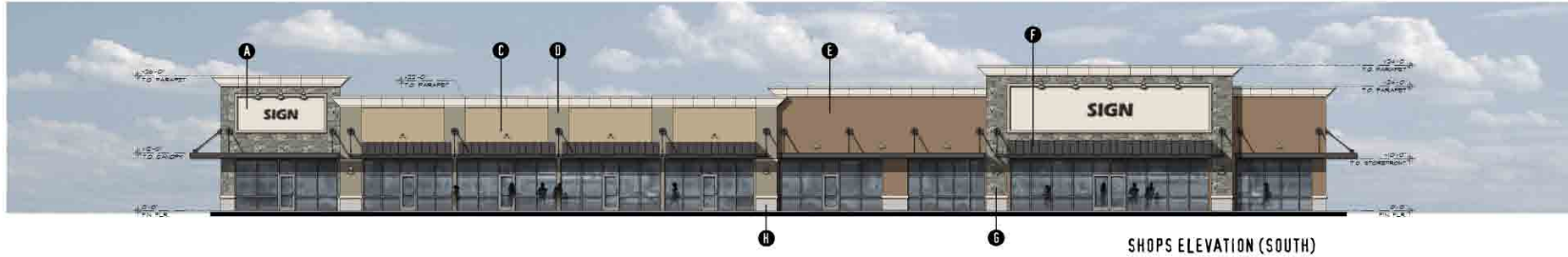
(ESCROW)

**PAD C
5,122 SF**

North Valley Pkwy

Norterra Pkwy

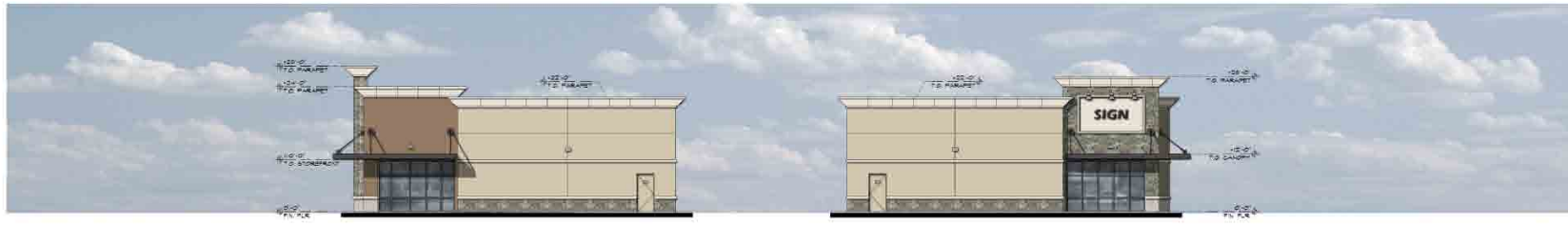




SHOPS ELEVATION (SOUTH)



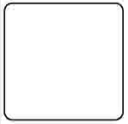
SHOPS ELEVATION (NORTH)



SHOPS ELEVATION (EAST)

SHOPS ELEVATION (WEST)

A	B	C	D	E	F	G	H
DUNK EDWARDS DESERT CRISP MASLIN	DUNK EDWARDS DESERT NORMALIC TAUPE	DUNK EDWARDS DIEGITO SAN HANBOR	DUNK EDWARDS DESERT CALICO ROCK	DUNK EDWARDS DESERT CANYON WOOD	METAL ACCENTS DUNK EDWARDS DESERT BOAT ANCHOR	GREEN SLATE STACK STONE VENEER	CORONADO STONE SANTO LIMESTONE HARVARD GREY



NORTERRA FIESTA
NORTH VALLEYPARKWAY AND NORTERRA PARKWAY
PHOENIX, ARIZONA

PROPOSED EXTERIOR ELEVATIONS

A3.0	DATE	REVISION

LSF #1465


[CLOSE](#)

Published: August 28, 2015
Volume: XXI Number: 34

SUNBELT HOLDINGS BRINGING RESIDENTIAL COMPONENT TO NORTERRA NEXT YEAR

Phoenix - The first phase of the 398-acre **NorTerra** mixed-use project in Phoenix is expected to have 300 to 400 residential lots and multi-family sites available to builders in 2016. The property, located at the northwest corner of 19th Avenue and Happy Valley Road, is part of a 578-acre tract being developed by [USAA Real Estate Co.](#) of San Antonio, Tex. [Sunbelt Holdings Inc.](#) in Scottsdale ([John Graham](#), pres.) has been hired as master developer of the Norterra project and is expected to have more details on the mix



of the single family lots and multi-family sites later this year. In all, there are a maximum of 2,200 dwelling units targeted for Norterra. Of those, 1,000 to 1,200 will be single family homes and 800 to 900 are planned as multi-family units. [Nate Nathan](#), [Dave Mullard](#) and [Casey Christensen](#) of [Nathan & Associates Inc.](#) in Scottsdale have the marketing assignment on the residential portion of Norterra. The mixed-use project, which also has employment, commercial and hotel uses, is bounded on the north by Jomax Road, on the south by Happy Valley Road, on the east by 19th Avenue and on the west by Interstate 17. Immediately west of the proposed Norterra development is the 105-acre [USAA Phoenix Corporate Campus](#), which has 600,000 sq. ft. of existing office buildings and another 350,000 sq. ft. of office space that is underway. [The Shops at Norterra](#) encompasses a 75-acre parcel along the east side of I-17 and includes 345,000 sq. ft. of existing retail developed by USAA and [RED Development LLC](#) in Phoenix. In addition to the residential use, the Norterra project also calls for 200,000 sq. ft. to 300,000 sq. ft. of retail space, 500,000 sq. ft. to 700,000 sq. ft. of new office buildings and a hotel with 150 rooms. According to a land use plan on file in Phoenix, primary access to Norterra will be from a "prominent new entrance" at Happy Valley Road and Norterra Parkway leading to a Main Street boulevard and Town Center. A narrative on Norterra says, "a variety of amenities and frequent activities are designed to create a close sense of community and bring residents together." The amenities will include a community center, pocket parks within the residential areas, an inter-connected pedestrian trail system and community park with sports fields and other recreational options for residents and USAA employees. Norterra will be developed in phases with phase one starting in the southern half of the site located north of Happy Valley Road and between 19th Avenue and Norterra Parkway. Sunbelt Holdings has developed numerous top notch residential communities in the Valley over its 35 years of existence. [Sean Walters](#) is the contact at Sunbelt Holdings . . . call him at (480) 905-0770. **Steve Ames** of USAA is at (800) 531-8182. Reach the Nathan & Associates agents at (480) 367-0700.

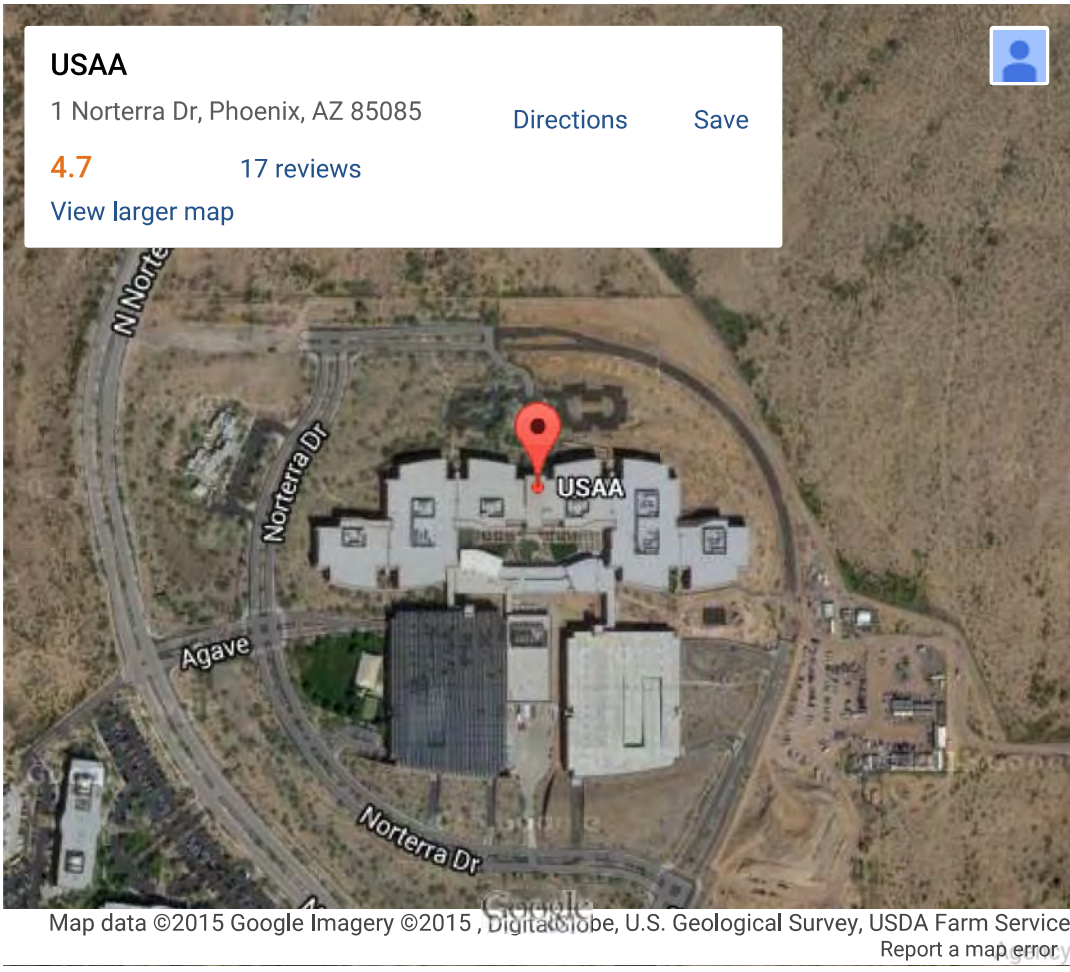


Photo Credit: Looney Ricks Kiss

Print This Page

Copyright © Business Real Estate Weekly of Arizona

[CLOSE](#)

Figure 1: Norterra and North Valley Parkway (1-, 3-, 5- & 7-mile Radius) Circle Trade Areas



Source: Google Earth, Metrostudy

II. Trade Area Summary and Analysis

- This Trade Area is along a growth corridor for the NW Valley in the submarket area of North Phoenix. Adjacent to an existing CVS pharmacy, this location is directly south of the highly successful Fireside at Norterra built and developed by Taylor Morrison and Pulte Homes. This master plan community has 250 vacant developed and future lots remaining to be built and sold. Though the area does not have many large master plan communities it does have a strong base in stand-alone communities. Sonoran Commons active since Q1/14 and built by Taylor Morrison has 165 vacant developed lots. North Canyon Stoneledge active since Q3/14 and built by Carefree Partners/Meritage Homes has 121 vacant developed lots with another 847 future lots planned in the subdivision. Villaggio at Happy Valley is a DR Horton subdivision with 170 vacant developed lots.
- Like most of the areas in Arizona, the Trade Area experienced rapid growth from 2000-2010, averaging 2,023 new households per year. From 2010-2015, growth has slowed, but is still a healthy 1,344 new households per year which is 1.8% growth versus projections of 1.4% in the Phoenix Metro area. For the 2010-2015, moving closer to the target site there has been substantial growth up to 4.8% within 1 mile radius of the site. From a forecast perspective (2015-2020), an additional 1,335 households is expected annually within 7 miles of the site.

- The Trade Area's new home activity has increased in the past year as the 456 new-home starts over the past year represent an improvement of 30% from the previous year of total of 342 starts. The Trade Area accounts for 4 percent of all Metro Phoenix Area homebuilding, up from 3 percent one year ago.
- There are 2,420 vacant developed lots that are ready for new home construction in the trade area, and Metrostudy is tracking another 5,248 future lots. Right now the Trade Area is carrying the correct amount of vacant developed lots with 25 months ready to sell to the buyer. The future lot breakdown shows 963 lots under development, 697 lots with final plat approval. There are 2,638 lots with preliminary plat approval and/or in the early planning staging.

While the subject site is located in the City of Phoenix other cities that make up the Trade Area include parts of Glendale, Peoria, and Cave Creek. Demographic within the trade area are similar. Regardless of distance from the site, median and average income is very similar. The most notable change is the median age which suggests that the area is attracting a much younger buyer. 1-2 person households make up about 55% of the people in the area which indicates growing families are moving to this area at a strong pace. **Based on exhibits 7 & 8 we can see the area is attracting growing families with higher median and average incomes.** This area is attracting a small amount of the baby boomer population they make up about 7-10% of the population so it indicates this is not a strong growth market for the baby boomer driver. These indicators along with stronger owner-occupied units indicate this area is appealing to 1st time buyers and 2nd move-up buyers. This growth helps to support a more stabilized market and consistency growth in the trade area.

Table 1: 2015 Demographic Summary Comparison between Phoenix Metro and Trade Area

Category	Year	Phoenix Metro	7-Mile Radius	5-Mile Radius	3-Mile Radius	1-Mile Radius
Average Household Income	2015	\$68,614	\$79,272	\$82,390	\$89,206	\$85,785
Median Household Income	2015	\$50,958	\$63,234	\$67,419	\$69,706	\$69,017
Median Age	2015	35.8	36.4	34.8	33.2	32.5
Average Household Size	2015	2.7	2.7	2.8	2.9	3.0
1-Person Households	2015	430,808	18,606	5,355	1,758	379
2-Person Households	2015	525,221	25,501	8,148	2,579	687
3-5 Person Households	2015	332,615	31,502	11,540	3,613	1,130
6+ Person Households	2015	106,318	3,566	1,335	487	165
Owner-Occupied Units	2015	65%	72%	72%	68%	78%

Source: Nielsen-Claritas

According to Nielsen Claritas, there are an estimated 211,784 people living in 79,175 households as of 2015 (see Table 2 and Exhibit 7). There were 52,222 households in the Trade Area in 2000. Since that time we have seen strong household formations 20,233 from 2000-2010 and 6,720 from 2010-2015. Though projections are showing slightly slower growth 6,674 households in the 5 years this is still a larger percentage of 1.6% versus what is being projected in the Phoenix Metro area. Again as we get closer to the trade area with a 3 mile radius we can see historical household formation growth jump to 3.5% - 4.8%. This is much stronger than recent five year history in the Phoenix Metro area that has only seen a 1.4% growth during the same time frame. Population growth is following a similar trend (see table 3 and Exhibit 7) in the trade area we see the most recent growth has been 2.4% and a forecast growth of 1.6%. As we get closer to the site, the numbers continue to improve up to 6.8% within a mile of the site. **Forecasts for the next five years also indicate closer to the site (within 5 miles) there is expected to be a stable household growth and population growth often doubling the Phoenix Metro forecasted growth of 1.3%.**

Table 2: 2015 Population Growth Comparison Between Phoenix Metro and Trade Area

Category	Year	Phoenix Metro	7-Mile Radius	5-Mile Radius	3-Mile Radius	1-Mile Radius
Population	2020	4,789,798	229,456	82,489	27,618	8,370
Total Change	2015-2020	310,126	17,672	8,183	3,487	1,169
% Total Change	2015-2020	6.9%	8.3%	11.0%	14.5%	16.2%
Annual Change	2015-2020	62,025	3,534	1,637	697	234
% Annual Change	2015-2020	1.3%	1.6%	2.1%	2.7%	3.1%
Population	2015	4,479,672	211,784	74,306	24,131	7,201
Total Change	2010-2015	308,383	19,058	9,723	4,562	1,662
% Total Change	2010-2015	7.4%	9.9%	15.1%	23.3%	30.0%
Annual Change	2010-2015	77,096	4,765	2,431	1,141	416
% Annual Change	2010-2015	1.8%	2.4%	3.6%	5.4%	6.8%
Population	2010	4,171,289	192,726	64,583	19,569	5,539
Total Change	2000-2010	939,381	50,484	31,764	15,503	5,406
% Total Change	2000-2010	29.1%	35.5%	96.8%	381.3%	4064.7%
Annual Change	2000-2010	93,938	5,048	3,176	1,550	541
% Annual Change	2000-2010	2.6%	3.1%	7.0%	17.0%	45.2%
Population	2000	3,231,908	142,242	32,819	4,066	133

Source: Nielsen-Claritas

Table 3: 2015 Household Growth Comparison Between Phoenix Metro and Trade Area

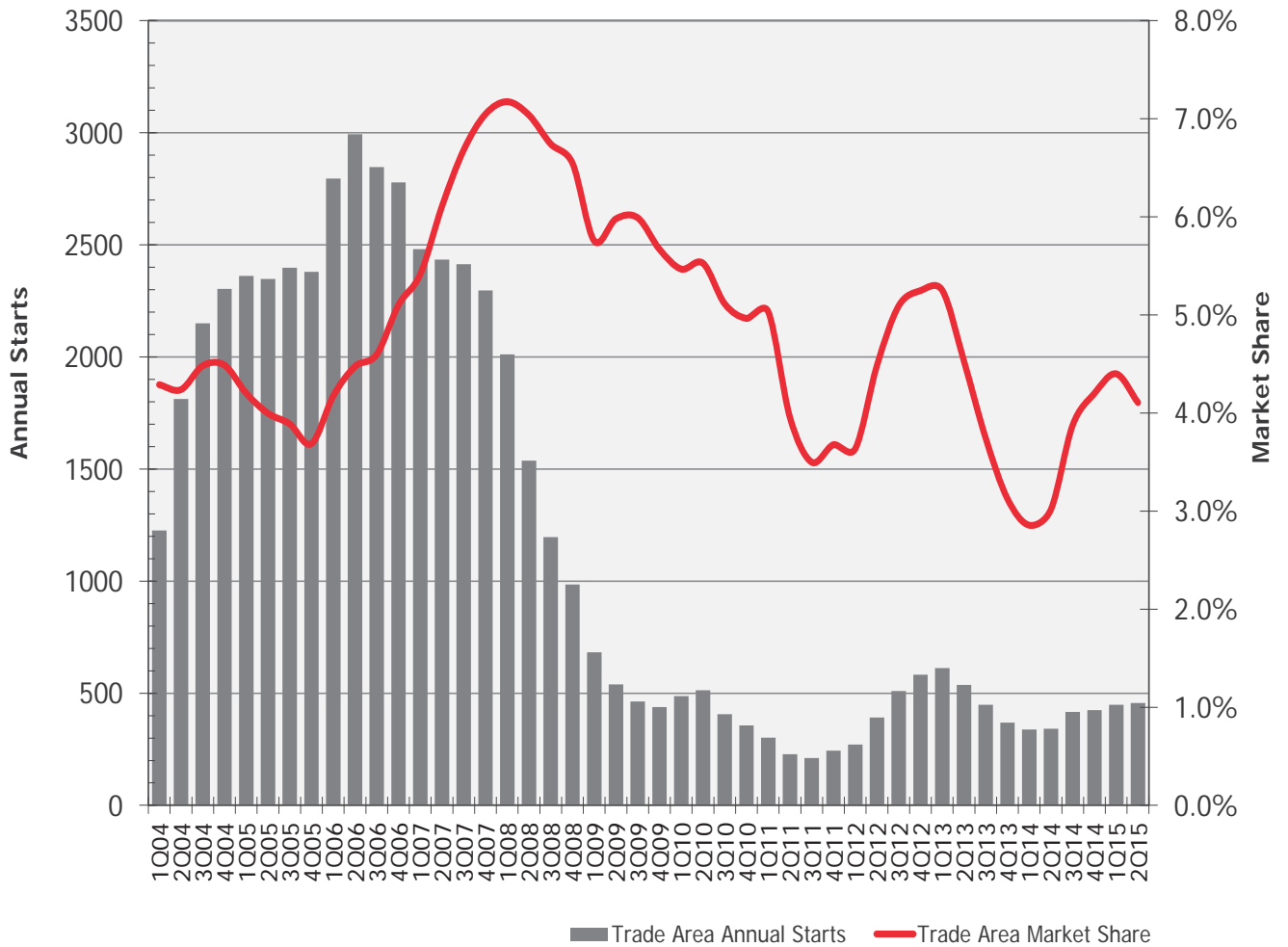
Category	Year	Phoenix Metro	7-Mile Radius	5-Mile Radius	3-Mile Radius	1-Mile Radius
Households	2020	1,759,253	85,849	29,169	9,634	2,750
Total Change	2015-2020	118,066	6,674	2,780	1,197	388
% Total Change	2015-2020	7.2%	8.4%	10.5%	14.2%	16.4%
Annual Change	2015-2020	23,613	1,335	556	239	78
% Annual Change	2015-2020	1.4%	1.6%	2.0%	2.7%	3.1%
Households	2015	1,641,187	79,175	26,389	8,437	2,362
Total Change	2010-2015	113,419	6,720	2,920	1,347	497
% Total Change	2010-2015	7.4%	9.3%	12.4%	19.0%	26.6%
Annual Change	2010-2015	22,684	1,344	584	269	99
% Annual Change	2010-2015	1.4%	1.8%	2.4%	3.5%	4.8%
Households	2010	1,527,768	72,455	23,469	7,090	1,865
Total Change	2000-2010	340,768	20,233	11,789	5,898	1,816
% Total Change	2000-2010	28.7%	38.7%	100.9%	494.8%	3706.1%
Annual Change	2000-2010	34,077	2,023	1,179	590	182
% Annual Change	2000-2010	2.6%	3.3%	7.2%	19.5%	43.9%
Households	2000	1,187,000	52,222	11,680	1,192	49

Source: Nielsen-Claritas

The Phoenix region like the rest of the country suffered tremendously during the recession. While the Trade Area has experienced strong growth since 2000, the growth has not been steady. Metrostudy has been tracking the Phoenix market since 2003, and new-home starts (for-sale only) have gone from a high of 2,011 annual units in 1Q04, to a low of 211 in 3Q11. From that low, however, new-home starts have bounced back to 456 starts over the last 4 quarters ending 2Q15 (see Exhibit 1). **The largest growth has been seen in 2015 this Trade Area has been seen in the quarter starts. Q3 2014 to Q4 2014 has seen start growth of 22%.** This area bounced back sooner than other areas so growth has been minimal for the first two quarters of 2015. This has been due to lack of new subdivisions opening

in the Trade Area. There were only two subdivisions that became active during the first and second quarter of this year. We expect to see more pronounced growth when the Q3 2015 numbers are available there is expected to be another 3-4 subdivisions coming on-line at that time. Trade Area has also seen slower growth in market share up to 4% in the most recent quarter. Figure 2 below illustrates the historical market share of the Trade Area. Due to the rocky terrain in this area, new subdivisions have taken longer to bring to market but there is a solid supply of lots that will be ready in the next few months and it is expected that we will see this share maintain at around 5.5% of the Phoenix Metro Area market. This area will also be offering townhome and triplex product so there will be a strong draw for first time home buyers.

Figure 2: Trade Area Annual Starts and % Share of Metro Phoenix Market



Source: Metrostudy