

THE DL DOWNLOAD

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ISSUE 5
JULY 2023



NAIOP
DL»»DEVELOPING LEADERS

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UPCOMING EVENTS

HOW TO LEVEL UP & STAND OUT IN A COMPETITIVE MARKET	AUGUST 9, 2023
RETAIL SOCIAL HOUR	AUGUST 15, 2023
NEW MEMBER ORIENTATION	AUGUST 29, 2023
NIGHT AT THE FIGHTS	SEPTEMBER 14, 2023
ROOKIES AND ROCKSTARS	OCTOBER 2023

PLEASE VISIT WWW.NAIOPAZ.ORG/EVENTS.HTML FOR ADDITIONAL EVENT INFORMATION
DATES AND VENUS ARE SUBJECT TO CHANGE.

PROJECT SPOTLIGHT

Banner Sports Medicine Scottsdale, AZ

BY ASHLEY PETERS



Construction cost:
\$54M

Size:
80,000 SF building.

Developer:
Alter Group

General Contractor:
Willmeng Construction

Architect:
HKS

Broker:
Alter Group: Kent Moe

Engineer:
AEI

Project summary:

Banner Sports Medicine Scottsdale is nearing completion with plans to start taking new patients in May of this year. The 80,000-square-foot building will include state-of-the-art equipment and will host a team of internationally and nationally recognized sports medicine providers and leaders. Patients will benefit from a comprehensive range of services, including orthopedic surgery, primary care sports medicine, concussion care, an ambulatory surgery center, physical therapy, medical imaging, performance assessment and training, strength and conditioning, sports nutrition, and sports psychology.



INDUSTRY ICON

Julie Johnson

Executive Vice President
Colliers International

BY CHRISTINE SHAW



>> What got you interested in the CRE industry:

A friend who was doing in-house leasing for a downtown high-rise got her real estate brokers license and we started our own business – my first job in CRE.

>> Backstory:

I've been in the Phoenix area since I was 11 years old. Went to Engineering School at ASU and after about five different careers, ended up in commercial real estate. My previous job was in healthcare and immediately after getting into CRE, I had former clients and friends referring healthcare businesses for their real estate. So I started my CRE career initially in healthcare real estate and I'm still doing that 34 years later! One of my other careers was advertising and CRE blends what I learned in marketing/advertising and my love of numbers and statistics from engineering.

>> First job out of college:

Metallurgical engineer for AirResearch (now Honeywell) doing failure analysis on turbine blades from airplane engines.

>> Favorite thing about your job:

Helping people to benefit their businesses by finding the best locations for their medical practice to help their businesses be successful and making them happy!

>> Favorite project you've worked on:

Grunow Memorial Medical Center – a listing which is a beautiful historical medical building that I had the lease listing for about 30 years when there was vacant space and have sold three times.

>> What role did mentors play in your career:

I've had lots of mentors who showed me how to lead by example. They were other brokers who had more experience, and also managers and corporate leaders I've met through organizations like NAIOP, ULI, CCIM and AZ CREW.

>>How has Phoenix changed and how do you see it changing in the future:

When I was in grade school, Shea Blvd and Scottsdale Road was still a dirt road! Now it is the center of Scottsdale! The Phoenix metropolitan area has grown out in a dramatic way – but the last several years development has been trending to high density in city cores. This trend will continue as Maricopa continues its record setting growth. As suburban cities grow expanding the width of the Phoenix area, people and homes bring the need for services including healthcare and hospitals continue to build to provide care to this growing population.

>> What is it like working for your company:

I love working at Colliers and having Bob Mulhern as my senior managing director – it's a very supportive collaborative environment. Bob always encourages people to be their best selves and helps guide them through his creative, effective leadership methods. He creates opportunities for brokers to have the best tools to do the best job for their clients from marketing to presentations and more.

>> What is the most challenging part of your position:

Adapting to any future business environment whether it's a change in the economy or interest rates, a pandemic, governmental changes to healthcare delivery or any other black swan that might come along – to see this shift in advance and create a way to get ahead of the curve to help clients successfully deal with whatever the direction of change might be.

>> What advice would you give to a DL who is early on in their career:

Create your personal brand and business plan, and review and evaluate regularly. Develop strong relationships and network. Work hard. Get involved and ask a lot of questions to those who are where you want to be.

>> What are your passions outside of work:

I love to hike, ski, ride bikes, cook, read and I love animals. I am on the Board of the Arizona Humane Society.

>> Where do you see yourself in 10 years:

Continue mentoring young people in CRE as they grow in their careers and connections, and volunteer in a variety of ways in the community. I'm also on the Board of New Pathways for Youth – a mentorship program for youth at risk.

MARKET UPDATE

Michael Petrivelli

CoStar Group

RETAIL

A healthy local economy coupled with robust job and population growth has left the Phoenix retail market well-positioned to weather a potential recession. Property performance has steadily strengthened over the past 18 months and the 4.3 million SF of net absorption in 2022, was the strongest level in 15 years. Accelerating demand from expanding retailers coupled with limited new construction drove the Phoenix vacancy rate to 5.3% to end the year, the lowest level on record. According to CoStar's baseline forecast, which includes a mild recession in 2023, vacancy is expected to compress further in 2023, ending the year at a new all-time low.

Phoenix Retail Market Statistics

Vacancy %	5.2%
Net Absorption (12mo)	4,000,000
Net Deliveries (12mo)	1,400,000
Under Construction	3,500,000
Rent Growth (YOY, %)	7.8%

Largest Leases in 2023 (YTD as 03/09/23)

Tenant	Building Address	SF	Start Date
Fry's Food Stores	SW Cactus Road & Sarival Rd	105,000	Jun-24
EoS Fitness	SW Cactus Road & Sarival Rd	103,256	Jun-24
Slick City	7586 W Thunderbird Rd	34,425	Mar-23
	4216-4242 W Bethany Home Rd	29,710	Jul-23
Sprouts Farmer's Market	34750 N North Valley Pky	28,000	Feb-23

*New Lease, does not include renewals

Largest Completions in 2023 (YTD as 03/09/23)

Building Name	Building Address	SF
Marley Park Square - Phase 1	13670 Waddell Rd & Litchfield Rd	29,294
Caliber Collision	10505 Roosevelt	16,100
Cannon Beach - Restaurant A	4631 S Power Rd	11,780

Source: CoStar

Data as of 03/09/23

INDUSTRIAL

The Phoenix industrial market will be tested in the coming year as it contends with one of the most aggressive construction pipelines in the United States. A record 43.9 million SF is scheduled for delivery in 2023, making Phoenix the second fastest-growing industrial market in the country.

The impact of this new supply became evident in the second half of 2022 when metrowide vacancy recorded its first increase since mid-2020, despite record absorption levels. Vacancy ended the year at 4.9%, which remains tight compared to pre-COVID levels but is a noticeable uptick from its recent all-time low of 4.3% in 22Q2.

Phoenix Industrial Market Statistics	
Vacancy %	4.4%
Net Absorption (12mo)	25,300,000
Net Deliveries (12mo)	25,900,000
Under Construction	53,900,000
Rent Growth (YOY, %)	16.7%

Largest Leases in 2023 (YTD as 03/09/23)			
Tenant	Building Address	SF	Start Date
Cubework.com, Inc.	6801 N Cotton Ln	915,160	Feb-23
	6605 N Sarival Ave	525,000	Aug-23
Verst Logistics	8711 W Jefferson St	224,874	Feb-23
Transpak	16800 W Glendale Ave	175,760	Mar-23
Safelite AutoGlass	Ellsworth Rd & Point 22 Blvd	145,977	Nov-23

*New Lease, does not include renewals

Largest Completions in 2023 (YTD as 03/09/23)		
Building Name	Building Address	SF
G303 - Building 2	6610 N Alsup Ave	683,862
QTS Phoenix DC1	1200 N 40th St	337,334
Vantage Data Centers - Phase 1	45 S Bullard Ave	276,000

Source: CoStar
Data as of 03/09/23

OFFICE

The Phoenix office sector has yet to find its footing as the adoption of hybrid work environments has upended traditional market dynamics. Companies are reevaluating their space needs and many have opted to downsize their footprint or close offices altogether. This has led to a significant pullback in demand for office space with eight of the last 10 quarters recording negative net absorption and early projections for 23Q1 indicate this streak will extend. As a result, the metrowide vacancy rate has been on a steady upward march, climbing from 11.4% in 19Q4 to 15.3% today.

Phoenix Office Market Statistics	
Vacancy %	15.2%
Net Absorption (12mo)	-1,300,000
Net Deliveries (12mo)	1,100,000
Under Construction	1,300,000
Rent Growth (YOY, %)	2.8%

Largest Leases in 2023 (YTD as 03/09/22)			
Tenant	Building Address	SF	Start Date
	410 N Scottsdale Rd	53,405	Feb-23
	20401 N 29th Ave	49,732	Jul-23
	8181 S 48th St	43,013	Feb-23
	1721 W Rio Salado Pky	40,812	Mar-23
	10835 N 25th Ave	39,207	Jul-23

*New Lease, does not include renewals

Largest Completions in 2023 (YTD as 03/09/23)		
Building Name	Building Address	SF
The Grove - Building 2	4200 E Camelback Rd	70,000
CCS Presentation Systems	1426 Bass Pro Dr	36,000
Watch Tower Professional Center - 7	SEC of McQueen Rd & Chandler Blvd	6,799

Source: CoStar
Data as of 03/09/23

PHILANTHROPY UPDATE

ST. MARY'S FOOD BANK

Our members packed 1,035 emergency boxes to help those in need at our St. Mary's Food Bank event. Huge thank you to everyone who came out to make an impact in our community!



THANK YOU

TO EVERYONE WHO PARTICIPATED!

HOW TO BUILD YOUR BOOK OF BUSINESS

PAST EVENT

February 22, 2023

We kicked off this year's educational events with an exceptional panel and outstanding moderator:

Luke Krison, CBRE, Moderator
Lisa Bentley, McCarthy Nordburg, Ltd., Panelist
Jenna Borcharding, VanTrust Real Estate, Panelist
Pat Harlan, JLL, Panelist
Cathy Teeter, CBRE, Panelist

Thank you to the 50+ attendees, one of the best attended educational events! Learning how to build your book of business showed its importance.



DL SPRING TRAINING

PAST EVENT

March 17, 2023

Is there a better way to celebrate St. Patrick's Day than at a Spring Training game? It was great to spend an afternoon at the ballpark with 70+ DL members and 10+ prospective members!



SITE TOUR AT THE GLOBAL AMBASSADOR

PAST EVENT

April 19, 2023

A group of Developing Leaders toured the Global Ambassador Hotel. This stunning 141 room hotel, featuring 5 Mediterranean inspired restaurants, an 18,000 SF rooftop restaurant, and a wellness fitness center/spa, will open late 2023.



BEST OF NAIOP

PAST EVENT

APRIL 27, 2023

Best of NAIOP gave us a chance to celebrate all the great work our industry has been a part of this past year. It was amazing to connect and recognize everyone for their accomplishments in 2022. Special congratulations to Josh Tracy with Ryan Companies for winning Developing Leader of the year! Thank you to APS and Stevens-Leinweber Construction for donating tables so that more Developing Leaders could attend this special event.



NEW MEMBER SPOTLIGHT

Matthew Grimm

Vice President at Jones
& Jones

BY ASHLEY PETERS



Matthew Grimm is currently the Vice President at Jones & Jones Construction, where he wears many different hats and enjoys the challenge of adapting to new roles each day. Originally from Southern California, he got into construction by working in oil and gas in Ventura, California. After working as a laborer, he went on to obtain an engineering degree from the University of Kansas, which opened up more opportunities for him in the industry.

Matthew started his career in oil and gas before transitioning to commercial construction with Jones & Jones Construction. He worked on Terminal 4 at LAX in 2016, where he was tasked with laying out all the plane parking spaces for the company's first commercial construction job. He enjoyed the pace of airport work as well as the challenges that coincide with working in an operating airport.

In May 2019, Matthew moved to Arizona and began working with Willmeng Construction on TIs, primarily in the industrial sector. Missing the smaller GC culture, he took the contractor's exam and went on to open the Arizona chapter of Jones & Jones Construction. He is currently closing out his first project with the company in the Arizona market.

Matthew's favorite thing about his role at Jones & Jones is the variety of different types of work he gets to do. One day he may be a superintendent, and the next day he may be putting on his marketing hat and visiting clients. He enjoys playing accountant and budgeting books, and working in project management as well as on the pre-construction side. This gives him the advantage of seeing the whole picture of being a GC, rather than being pigeonholed into one role or sector.

One of Matthew's most impactful mentors was Chuck Teague, who taught him how to approach problems on the job, how to keep calm, and most importantly, how to interact with clients. Chuck taught him that in construction, client care is the real job. Matthew advises those new to the construction industry to spend time in the field so they can better visualize what is happening on a job. He also stresses the importance of always learning and being open to new experiences.

FROM YOUR COMMUNICATION COMMITTEE

ASHLEY WYSOR-ESTRADA

Project Manager at
Sanders & Wohrman
Corporation



>> **What got you interested in the CRE industry:**

The constant movement and growth of this industry, every day is different.

>> **Favorite thing about your job:**

Seeing a project from start to finish - watching amazing design concepts come to life by a group of individuals bouncing ideas off one another to get the best results.

>> **What role did mentors play in your career:**

Not even sure they are aware how much they've impacted my career, life, and family. I've been in this industry for 15 years, which I have never said out loud before, but it wasn't until these past few years that I was able to gather my past experiences in different roles and was able to apply them properly in my current position. I am still continuously learning something new every day.

>> **What advice would you give to a DL who is early on in their career:**

You are never too old to learn new things because growth is always constant. You will always be challenged to discover new opportunities and grow not only professionally, but personally.

>> **What are your passions outside of work:**

My children and husband.

>> **If you have kids, how has that changed the way you approach work:**

I have two boys; I can handle anything.

FROM YOUR STEERING COMMITTEE

THOMAS MAYNARD
Senior Vice President of
Business Development
at Greater Phoenix Economic
Council (GPEC) .

BY ASHLEY WYSOR-ESTRADA



>> What got you interested in the CRE industry:

I did not have a strong interest in joining the CRE industry out of college. I started as an intern at the Greater Phoenix Economic Council (GPEC) shortly after I graduated from ASU. I figured I would be there for a few months until I figured out what I wanted to do with the rest of my life. Plans changed slightly, however. This Fall will mark my 10th year mark at GPEC!

>> Favorite thing about your job:

The mission - our job is to help grow the Greater Phoenix economy. I am from Arizona and I am proud to be part of an organization that is actively working to make our community a better place. Shortly followed by the people – GPEC attracts very smart and well-rounded individuals from all over the world. I love coming into work everyday.

>> Favorite project you've worked on:

Years ago, I worked on a project for USAA. They have a great company culture and brand. They were offering relocation packages for their employees and invited me and a few partners from the City of Phoenix to present to their employees about living in AZ. It was great to be an ambassador for the region!

>> Backstory:

I grew up in Tucson and went to ASU. I graduated with a degree in Journalism with a focus in public relations. When I graduated, I was interning with the Diamondbacks with no clear picture of where my career would go. I took an internship with GPEC in the marketing department and have never looked back.

I am now the Senior Vice President of Business Development at GPEC. I co-lead our business attraction team with a goal to help companies grow/expand to Metro Phoenix.

>> First job out of college:

Game Operations Intern with the AZ Diamondbacks. It was the most fun I had in a professional setting. It was the summer of 2013 - the Dbacks were having a tough year but it was an amazing experience.

>> What role did mentors play in your career:

Mentors played a huge role, especially in my early career when I was trying to figure out my role at GPEC and my professional life in general. My first boss at GPEC (Shelley Parnell) was the one that pushed me to apply for a full-time gig. I didn't think I was qualified for the event planning job that was open. Shelley told me, "You're an idiot. Just apply and see what happens." Turns out to be one of the best pieces of advice I have received.

>> How has Phoenix changed and how do you see it changing in the future:

Metro Phoenix has seen a huge change over the last decade. When I first started, we were just coming out of the Great Recession. Greater Phoenix was in the recession longer and deeper than almost every other metro region because we were reliant on construction and real estate.

Now, our region is much more dynamic and we are attracting investments from all over the world. In 2022, Arizona had the most Foreign Direct Investment (FDI) in the US and the US had the most FDI in any country in the world. In other words, AZ is on the map.

Now, the real work starts. We can't rest on our laurels as a market so GPEC has been working as hard as ever to make sure we remain competitive as a region to continue to win projects.

>> What is it like working for your company:

GPEC is a fast-moving and dynamic work environment. We have a great reputation in our industry and as a result, we have been able to recruit some of the best people from the economic development community nationally to join our team. The people that do well at GPEC are mission driven and care about the community. We have a team of +/- 30 people that are passionate about their work and the community we represent.

>> What is the most challenging part of your position?

Projects are becoming more and more complex. Many of our clients have short deadlines and have high demands from a utility & workforce perspective. We have to remain on the edge and work closely with our partners to remain competitive. That is the most challenging but also the most fun part of the job.

>> What advice would you give to a DL who is early on in their career:

Plug in as much as you can. NAIOP does a great job organizing events and giving the DLs opportunities to learn and meet others in the industry. I would tell new DLs to try to make a new friend at each event. Take that person to coffee or lunch to get to know them and build your network. Don't worry if that contact can't bring you business day 1. Business opportunities will come later; focus on making connections and relationships first.

>> What are your passions outside of work:

I love to golf! I am a solid bogey golfer so I am not going to set any course records, but I am always down to get out there and play. I am a solid scramble partner!

>> Where do you see yourself in 10 years:

I have no idea! I am passionate about the economic development profession and can see myself continuing in that realm and making it my career. I still have a lot to learn but I want to work with the next generation of economic developers.

NEW DL MEMBERS

NAME	ORGANIZATION	JOIN DATE
Zachary Yogel	ORION Investment Real Estate	04/25/2023
Jay Lance	JE Dunn Construction	04/19/2023
Griffin Roach	Layton Construction	04/18/2023
Isabelle Santana Goncalves	University of Central Florida	04/17/2023
Glenn Stearns	TAI Engineers, Managers, Technical Services	04/14/2023
Jenny Moser	Restoration HQ	04/13/2023
Tanner Bryson	Wentworth Property Company, LLC	04/12/2023
Chad Pulcheon	JE Dunn Construction	04/12/2023
Jack Wentworth	Wentworth Property Company, LLC	04/12/2023
Jimmy Wentworth	Wentworth Property Company, LLC	04/12/2023
Andrew Clark	Caliber	04/10/2023
Owen Neary	Storie and Severson Construction	04/10/2023
Melek Holland	Willmeng Construction	04/05/2023
Alexander Weber	Kimley-Horn	04/05/2023
Nick Martinez	Taylor Street Capital Partners	04/03/2023
Hanifah Brown	ViaOne	03/30/2023
Stephanie Oleksa	SmithGroup	03/30/2023
Jeremy Jacobson	The VERTEX Companies, LLC	03/24/2023
Tyler Smerz	CBRE	03/18/2023
Lexus Haskins	Andrews Design Group, Inc	03/15/2023
Nick Salzle	Trammell Crow Company	03/15/2023
Felipe Mancero	Dekker Perich Sabatini	03/13/2023
Han Han	Irwin G Pasternack AIA & Associates, Pc	03/11/2023
James Stewart	USI Insurance Services LLC	03/09/2023
Ryan Tanner	JLL	03/09/2023
Nicole Neilson	Dibble	03/06/2023
Zach Venvertloh	Greater Phoenix Economic Council	03/06/2023
Paul Wells	CCS Presentation Systems	03/03/2023
Alexandra Nitti	Nitti Builders, LLC	02/23/2023
Matthew Grimm	Jones & Jones Construction	02/22/2023
Jonathan Chavez	Lewis Roca Rothgerber Christie LLP	02/21/2023
Pamela Orci	Orci Designs LLC	02/17/2023
Matthew Terpstra	Bellwether Enterprise	02/16/2023
Tanner Ferrandi	CBRE	02/13/2023
Alex Kas-Marogi	Colliers International	02/13/2023
Ashley Touchette	Phoenix Design One	02/09/2023
Dillon Hopley	Colliers International	02/07/2023
Matthew Williams	Strategic Office Partners	02/06/2023
ChristoferYacoub	First Interstate Bank	02/02/2023
Matthew Kukta	Overton Moore Properties	02/01/2023
Tanner Nelson	LeBaron Carroll	02/01/2023
Sean Cary	None	01/30/2023
Meghann Duran	Clayco	01/30/2023
Alyson Murney	Cushman & Wakefield	01/26/2023
Celeste Campos	Goodmans Interior Structures	01/24/2023
Zach Foppe	Ware Malcomb	01/23/2023
Melissa Martorano	Ware Malcomb	01/23/2023
Dominick Balsino	Vari	01/19/2023
Tommy Czerwinski	Merit Partners, Inc.	01/18/2023
Braden Liu	Merit Partners, Inc.	01/18/2023
Kurt Kerner	Kidder Mathews	01/17/2023

2023 STEERING COMMITTEE

NAME	TITLE	ORGANIZATION	CONTACT
Chelsea Porter	Past Chair	Renaissance Construction	chelseap@renconco.com
Tim Colquhoun	Chair	National Bank of Arizona	Tim.Colquhoun@nbarizona.com
Josh Tracy	Vice Chair	Ryan Companies US, Inc.	josh.tracy@ryancompanies.com
Thomas Maynard	Treasurer	GPEC	tmaynard@gpec.org
Bryan Wright	Communications Chair	Kimley-Horn	bryan.wright@kimley-horn.com
Tiffany Pennington	Communications Co-Chair	TEPCON Construction	tpennington@tepcon.com
Jennifer Villalobos	Education Chair	Sharp Construction	J.villalobos@sharpconstruction.com
Chris Reese	Education Co-Chair	Colliers	chris.reese@colliers.com
Matthew Clist	Membership Chair	Immedia LLC	mattclist@immedia-tech.com
Stirling Pascal	Membership Co-Chair	Stream Realty	stirling.pascal@streamrealty.com
Samantha Spadaro	MRED Chair	AECOM Hunt	samantha.spadaro@aecom.com
Charl Potgieter	MRED Co-Chair	-	-
Mark Cassell	Philanthropy Chair	LevRose	mcassell@levrose.com
Sydney Setnar	Philanthropy Co-Chair	JLL	sydney.setnar@jll.com
Chase Dorsett	Programs Chair	Newmark	chase.dorsett@nmrk.com
Patrick Schrimsher	Programs Co-Chair	Cushman & Wakefield	patrick.schrimsher@cushwake.com
John Paul Mulhern	Public Policy Chair	Ryan Companies US, Inc	JohnPaul.Mulhern@RyanCompanies.com
Tino Hernandez	Public Policy Co-Chair	Clayco	Hernandezt@claycocorp.com
Chris Beall	YPG Chair	JLL	chris.beall@am.jll.com
Joshua Shifferer	YPG Co-Chair	GO Industrial	joshua@goindustrial.net

2023 COMMUNICATION COMMITTEE

NAME	ORGANIZATION	CONTACT
Bryan Wright	Kimley-Horn	bryan.wright@kimley-horn.com
Tiffany Pennington	TEPCON Construction	tpennington@tepcon.com
Christine Shaw	RSP Architects	christine.shaw@rsparch.com
Ashley Wysor-Estrada	Sanders & Wohrman Corp.	aestrada@swcoating.com
Ashley Peters	Small Giants	ashley@smallgiantsonline.com



NAIOP
DL»DEVELOPING LEADERS

The logo features the acronym 'NAIOP' in a large, bold, green sans-serif font. A thin horizontal line is positioned directly beneath the letters. Below this line, the tagline 'DL»DEVELOPING LEADERS' is written in a smaller, dark purple sans-serif font. The background of the page is white, with a large green triangle in the top right corner and a grey triangle in the bottom right corner.