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Terry McDonnell, Publisher
tmac@brewaz.com

Marie Williams, Executive Manager
marie@brewaz.com

Matt Phillips, Production Manager
matt@brewaz.com

480-905-0500
www.brewaz.com



DEVELOPER LOOKING TO FILL VOID OF RESTAURANT AND ENTERTAINMENT OPTIONS IN NORTH VALLEY AREA

PHOENIX – Looking to fill a void for resi-
 dents in the far reaches of the North Black
 Canyon Corridor wanting restaurant and
 entertainment options in the area, Scott
 McGill of MCG Commercial in Phoenix is
 working to entitle and purchase land for a
 mixed-use project.

McGill formed North Core
 Development LLC with hopes of develop-
 ing 84,100 sq. ft. of commercial space on a 30-
 acre site along the south side of Dove Valley
 Road just east of Interstate 17 (Black Canyon
 Freeway) and west of North Valley Parkway.

Adam Baugh of Withey Morris PLC
 in Phoenix is assisting with the entitlement
 process.

The property, known as North Core, is
 bounded on the west by the Skunk Creek
 Wash, on the east by the alignment of 29th
 Avenue, and is part of the North Black
 Canyon Overlay District. McGill's com-
 pany is under contract to buy the acreage
 from Paradise Valley-based Kramer PSP
 Properties LLC (Sandra Kramer, principal),
 and Hardy Properties LLC (Gordon Hardy,
 principal).

Those same two entities also own an-
 other 30 acres located just south of the site
 targeted for the restaurant and entertain-

ment uses. North Core Development LLC
 has also reached an agreement with Kramer/
 Hardy to purchase the second 30-acre tract,
 which is targeted for a 358-unit apartment
 complex.

That parcel, separated from the Dove
 Valley Road land by 19.55 acres of unde-
 veloped desert, is expected to be sold to a
 multi-family developer through a double-es-
 crow agreement.

Plans for both 30-acre sites are still being
 formulated and while potential users and
 developers have expressed interest in the lo-
 cations, no agreements have been reached to
 resell any of the land.

Sources say McGill's company will pay
 somewhere between \$12 million to \$16 mil-
 lion to acquire the 60 acres, of which only
 a portion will be useable due to the Skunk
 Creek Wash. It is estimated that only 13 to
 17.5 acres of the 30 acres of land planned for
 commercial use will actually be able to ac-
 commodate vertical development.

A preliminary site plan from Terrascope
 Consulting in Phoenix shows 13 buildings
 ranging from 900 sq. ft. to 15,000 sq. ft. with
 parcels ranging from one-half-acre to rough-
 ly 3 acres.

SEE MCGILL PAGE 3



MCGILL FROM PAGE 2

McGill intends to complete the entitlement work, install off-site improvements and sell and lease parcels to end users.

Plans include incorporating the wash as a natural amenity with a pedestrian trail system, attracting higher-end, sit-down restaurants with local-concept dining establishments and entertainment in a courtyard setting with lush landscaping and significant open space providing for desert views and showcasing the well-known Arizona sunsets.

In addition to bringing in eateries of a "non-chain" variety, other uses could include specialty retail shops, office, and medical.

The area in North Phoenix has experienced steady growth in recent years with new housing to the east with a Fry's Marketplace on the north side of Dove Valley Road, a new HonorHealth Sonoran Medical Center hospital under construction at Interstate 17 and Dove Valley Road and a sports arena and hotel project planned to the south of the 60 acres being sold to North Core Development.

Jim Bayless of CBRE in Phoenix brokered the \$10.8 million sale of that 40-acre site last year and Baugh handled the zoning on that multi-use sports facility and hotel development scheduled to open next year.

McGill is handling the marketing of North Core . . . reach him at (623) 518-0703. Talk to Baugh (602) 540-3434.

GATEWAY FROM PAGE 1

successful Eastmark community and the burgeoning Elliot Road Technology Corridor anchored by Apple Inc. (NASDAQ:AAPL) and its \$2 billion mega data center, several Valley home builders have already expressed interest in Destination at Gateway.

Sources say at least one Phoenix-area builder may want to buy the entire tract, which is generally bounded on the north by Williams Field Road, on the south by Frye Road, on the east by Meridian Road and on the west by just west of Signal Butte Road. W Holdings executive Carson Brown, who spearheaded the investment and is responsible for marketing the project, says plans will include a for rent housing product.

Although the property has a preliminary plat in place for 709 home sites with five single-family lot products, plans for the Southeast Mesa acreage are still fluid and parcels are being reconfigured to include sites for about 250 rental units, 10+ acres of commercial use and a 5-acre parcel that will be sold to the Mormon Church. Those components are targeted for 30 acres located at the southwest corner of Signal Butte and Williams Field roads.

The W Holdings/Freedom Communities venture intends to complete the planning process and obtain a final plat before selling the land to one or more home builders and commercial developers. Rooftops within Destination at Gateway are expected by year-end 2020 or first quarter 2021.

Public records show the brunt of the assemblage is roughly 185 acres located along the south side of Williams Field Road and between Meridian Road and Signal Butte Road on the east and west. Signal Butte 24 LLC (formed by W Holdings and Freedom Communities principals) was the buyer in that \$19.55 million sale. Trusts formed by the DeMuro family of The Woodlands, Tex. (Eugene DeMuro, Joanne DeMuro, co-trustees) and investor Joseph Baldelli were the sellers. Jason Hyams and his partner Dave Headstream of CBRE in Phoenix brokered that sale. Fees were also paid to Cam Stanton of CBRE and Mike Ratliff, formerly of CBRE, and now with Insight Land & Investments in Scottsdale. Pacific Coach Inc. in Phoenix (Andrew Cohn, principal) provided \$16.75 million in financing for that purchase. Signal Butte 24 LLC was also the buyer of the 30 acres at the southwest corner of Signal Butte and Williams Field roads. Groh Revocable Trust in Scottsdale (John Groh, Nancy Groh, trustees), was the seller. Brent Moser and Mike Sutton of Cushman & Wakefield in Phoenix negotiated that sale.

The remaining 37.734 acres, along the east side of Mountain Road at the southern edge of the assemblage just north of the future State Route 24, was sold in two transactions totaling \$2.6 million. Those 18.867-acre parcels, which both sold for \$1.3 million, were acquired by a company formed by Brown and an affiliate of W Holdings.

Learn more from Brown at (480) 831-2000.



AT THE CENTER OF WHAT'S NEXT

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