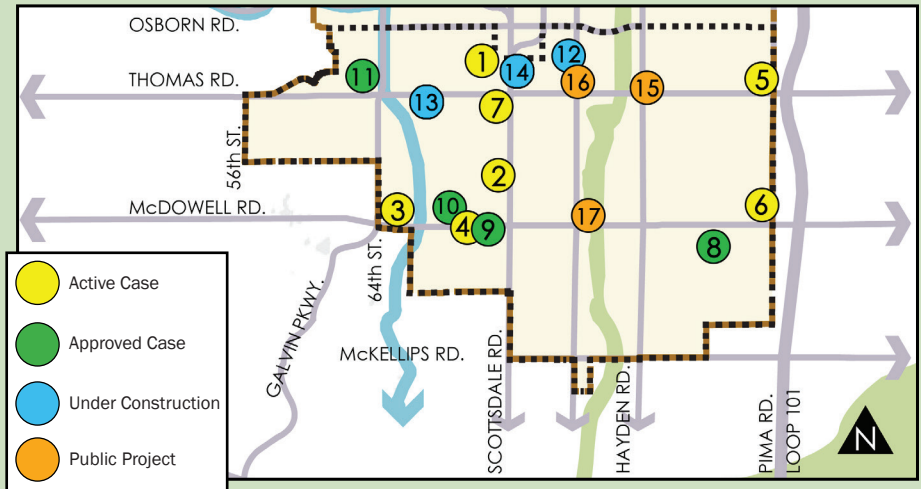
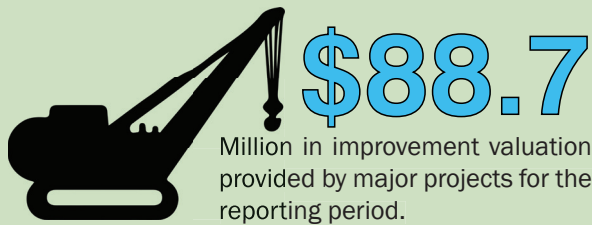


For FY 2015/2016, City Council set Priorities and Key Objectives within their Strategic Plan, including the continued effort to revitalize the McDowell Road Corridor (MRC).

The MRC is experiencing reinvestment. The indicators within this document highlight local area market improvements. These successes can be attributed to the combined efforts of City Council, private development, residents, and local area initiatives. Although the direct quantitative impacts are showcased in this document, it is important to note that qualitative impacts, such as a higher quality environment and lifestyle for the area, have been realized as well.

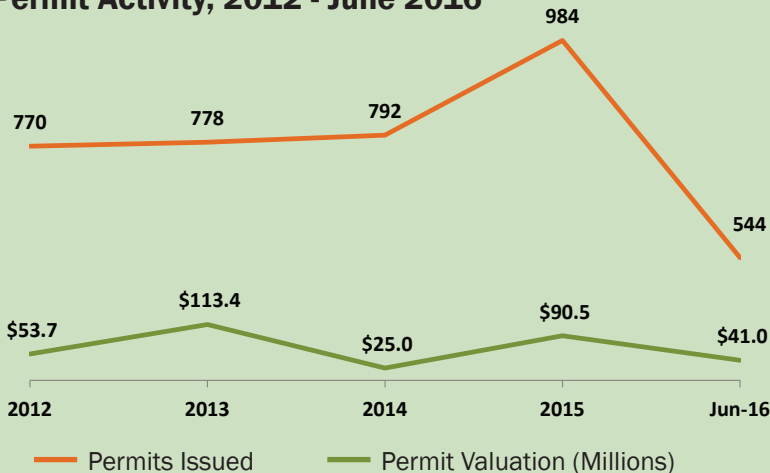
Development Activity

This map depicts major development activity within the MRC, representing activity from January through June, 2016. Pins on the map correspond with active or approved cases, projects under construction, and public projects.



- | | | |
|---|---|--|
| <ul style="list-style-type: none"> 1 <u>70th St & Earll Townhomes</u>
7 townhome units 2 <u>South Scottsdale Multi-Family</u>
170 multi-family units, 6,000 SF of retail space 3 <u>Scottsdale Entrada</u>
Office, residential, retail, & hotel 4 <u>Skye II on McDowell</u>
±21 single-family homes 5 <u>Pima Thomas Center</u>
Self-storage facility 6 <u>Monolith Storage Facility</u>
Self-storage facility | <ul style="list-style-type: none"> 7 <u>Tuft & Needle</u>
Retail development 8 <u>Granite Reef Circle Lofts</u>
20 townhome units 9 <u>Skye I on McDowell</u>
±58 single-family homes 10 <u>Aire on McDowell</u>
±81 single-family homes 11 <u>Scottsdale Executive Villas</u>
Restaurant & retail 12 <u>Banner Behavioral Health</u>
Two-story inpatient building (Valued at ±\$23.1M) | <ul style="list-style-type: none"> 13 <u>Diamante Condominiums</u>
144 multi-family units (Valued at ±\$25.5M) 14 <u>TomScot</u>
270 multi-family units, 9,909 SF of retail space (Valued at ±\$40.1M) 15 <u>Thomas & Hayden</u>
Intersection improvements 16 <u>Site 71</u>
Well site & booster pump station improvements 17 <u>McDowell Road Sidewalk Improvements</u>
North side of McDowell from Scottsdale to Miller |
|---|---|--|

Permit Activity, 2012 - June 2016



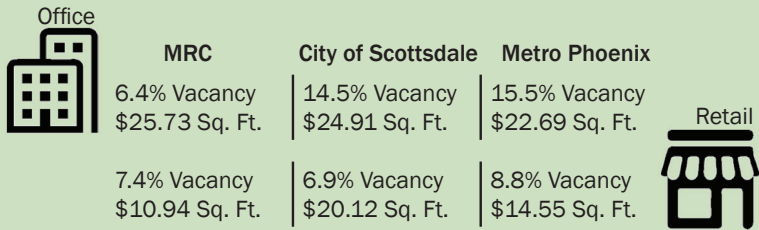
Did You Know?

On March 17, 2015, City Council adopted Resolution 9990, creating reduced permit fees* for the MRC to encourage reinvestment in existing residential and commercial properties.

\$75k in total cost-savings, which reflects more than 50% savings, provided to those reinvesting in their MRC property.

*Reduced fees are limited to specific property and permit types

Commercial Occupancy Trends

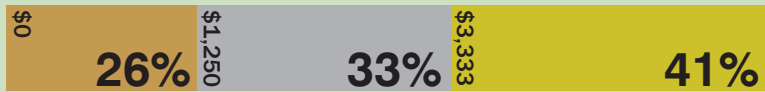


Source: CoStar, June 2016



MRC Single Family Neighborhood

Local Area Job Earnings Per Month



Source: US Census, LEHD On The Map 2014

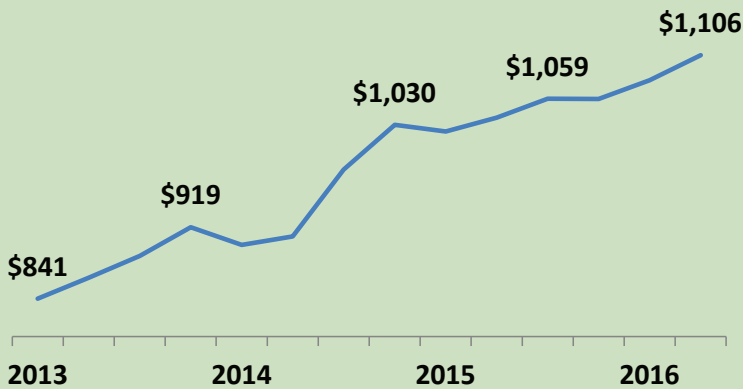
Multifamily Housing

Approximately 50% of those that rent multifamily housing in the MRC are described as “Renters by Choice” and “Lifestyle Renters” — characterized as people that are capable of owning a residence, but choose to rent instead. These renters are typically attracted by excellent finish quality, attractive common area facilities, and locations that offer social interaction.

25%

of all multifamily housing in the McDowell Corridor is less than 5 years in age

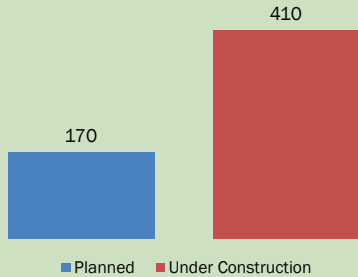
Quarterly Average Rent



96%

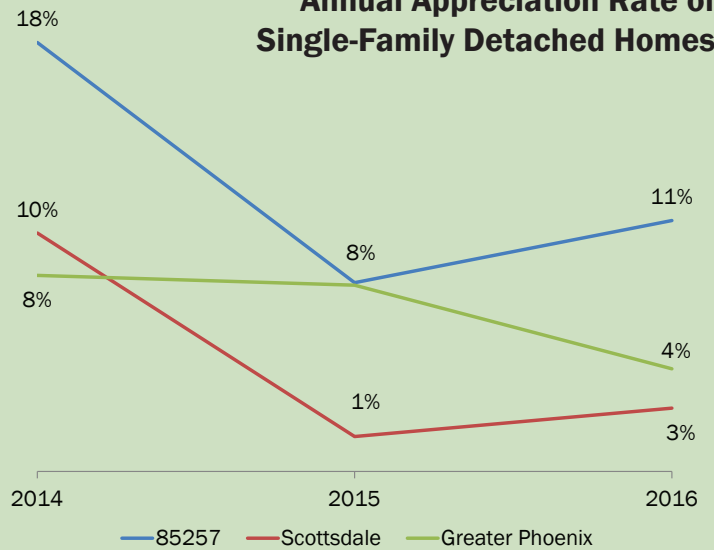
of all multifamily housing in the McDowell Corridor is Occupied

Multifamily Units in Development



Source: YARDI Matrix Multifamily Analytics, Q2 2016

Annual Appreciation Rate of Single-Family Detached Homes



The Rate of Appreciation throughout the country has normalized and the resale prices of single family homes in the MRC have yielded values at \$174, price per square foot. Scottsdale as a whole, however, is at \$231, price per square foot - making the MRC an affordable option for those choosing home ownership in Scottsdale.

Source: ARMLS Single-Family Detached Reporting, May 2016

Occupied Housing Spotlight, 85257



Source: American Community Survey, 2014 5-Year Estimate