

INSIDE CONSTRUCTION & REAL ESTATE



WEEKLY MORTGAGE RATES

7/11/2007

Program	Current	Last Week	1 Year Ago	12 Month High	12 Month Low
30 YEAR	6.88%	6.88%	5.63%	6.88%	5.23%
15 YEAR	6.75%	6.63%	4.97%	6.75%	4.63%
3/1 ARM	6.00%	6.00%			

FNMA/FHLMC maximum conforming loan amount is \$417,000
Conventional Jumbo loans are loans above \$417,000

Information provided by Hotchkiss Financial, 3425 East Grant Road, Suite 100, Tucson, AZ, 85716.
(520) 324-0000. MB #0905432. Rates are subject to change without notice based upon market conditions.

in years." A total of 500,000 square feet of industrial space is scheduled to be built, over the next 12 months, but all of that will be in smaller space. "For larger product, it's still slim pickings."

The only thing that could change the situation is an increase in available developable real estate, but that's not happening, said land specialist Mick Cluck. The market for vacant land is "very quiet," he said, but that doesn't mean the available supply is increasing or prices are going down.

Residential real estate developers that bought the land are holding it. "They may be in doldrums," Cluck said, and they may sell off undeveloped property in other markets, elsewhere in the nation, "but homebuilders still see Tucson as a strong market, and they want to be here. So, this is the land supply they'll keep."

The only commercial market where there's uncertainty is the apartment market, said investment property specialist George Stamos. Condo conversion projects removed as many as 5,000 units from the rental market, driving up rents and sending vacancy rates to 5 percent, or less.

"The condo craze took a lot of units offline," he said. "Then housing got so expensive that a lot of people who were going to buy had to rent, instead."

However, many of those conversion properties are coming back onto the rental

market, followed by investor-owned homes, offered to tenants because the buyers can't sell them. "That will have an effect," Stamos said. "Strong demand to continue for a little while longer, "but we can expect normalcy to begin creeping back into the market."

Tucson architect plans Tohono Plaza renovation

Retail shopping in Sells will be getting a facelift and a lot more room in September with the launch of a \$3 million expansion and renovation project at Tohono Plaza, sponsored by the Economic Development Authority of the Tohono O'odham Nation.

This is the first major renovation of the 25,000-square-foot center, anchored by a Bashas' Food Store, since it was built in the 1980s. Business Development Manager Richard Grijalva said the economic development authority will be giving the center a new façade and doubling the available retail space. The first step in the authority's effort to revitalize Sells, he said the project is designed to improve retail opportunities to encourage more local shopping in the community.

Architect William Ford, principal with WLFA Associates, is designing the project, which will be showcasing traditional Tohono O'odham artwork in the façade treatment and signage. A general contractor will be selected in mid-August.

Worth noting

- **Cadden Community Management** leased 1,440 square feet and **Dickens Quality Demolition** leased 2,880 square feet of office space in the Exchange Place Business Center, 1870 W. Prince Road, from **Presson Corp.** Robert Glaser, principal, and Paul Hooker, with **PICOR Commercial Real Estate Services**, represented the landlord and tenants.

- Julie and Cristian Ibarra, owners of **Axem Boutique**, leased 900 square feet of retail space at Centre Pointe Plaza, at Campbell Avenue and Irvington Road, from **Academy Medical LLC** and **Wilmot 310 LLC**. Joe Warren and Bob Kivel, with **Commercial Retail Advisors**, represented the landlord.

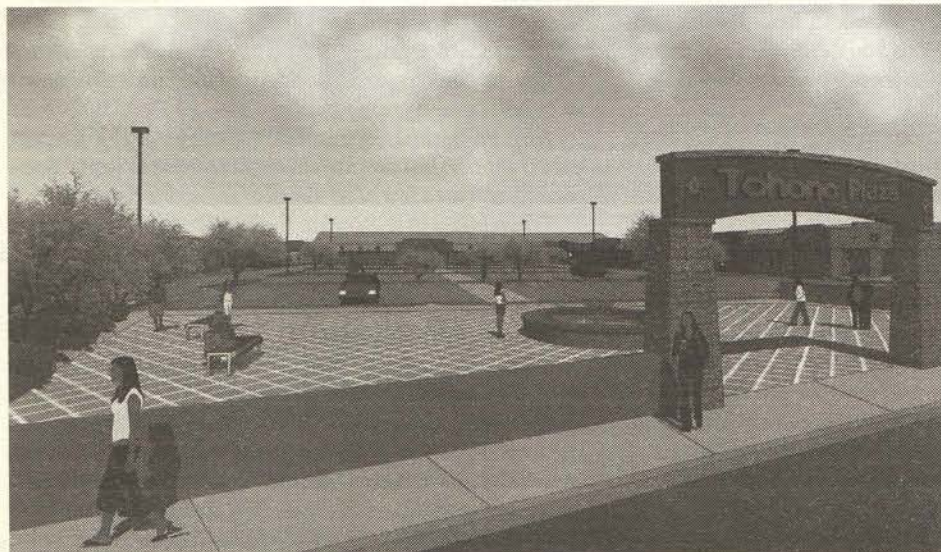
- **Desert Earth Contracting** leased 3333 N. Campbell Ave. from **3333 N. Campbell Ave., LLC**. Robert Nolan, with **Oxford Realty Advisors**, represented the tenant.

- **General Plasma**, formerly Applied Process Technologies, a producer of large area thin films, leased a 23,088-square-foot assembly facility at 1445 E. Wieding Road from **Tucson Third Investment Co./Iota Engineering**, for relocation of its manufacturing operations, now at 546 E. 25th St. Robert Glaser, principal with **PICOR Commercial Real Estate Services**, represented the tenant. Tim Healy, vice president with **CB Richard Ellis Tucson**, and Ed Henne, with **Long Commercial Realty**, represented the landlord.

- **Tucson Yarn Co.**, a yarn and craft store, leased 1,200 square feet of retail space at Oracle Plaza, at Oracle and Orange Grove roads, from **D&B Associates**. Linda Montani, with **Commercial Realty Advisors**, represented the landlord.

- Investment group **4D Properties** paid \$1.35 million to purchase a 12,000-square-foot building at 153 S. Plumer from **SWS Electronics**. Rick Borane, with **Volk Company Commercial Real Estate**, represented the buyer and seller.

- **Bioptics**, a designer and manufacturer of digital radiography products for medical and scientific applications, leased 4,980 square feet of commercial space at Butterfield Business Center, 4605 S. Palo Verde Road, from **Presson Equity Partners**. Robert Glaser, principal with **PICOR Commercial Real Estate Services**, represented the landlord. Tom Orr, principal with **Torr Commercial Real Estate**, represented the



WLFA Associates

Tohono Plaza in Sells will be getting a facelift and twice the space in September with the launch of a \$3 million expansion and renovation project, sponsored by the Economic Development Authority of the Tohono O'odham Nation. This is the first major renovation of the 25,000-square-foot, Bashas' Food Store-anchored shopping center since it was built in the 1980s.