



LAND ADVISORS ORGANIZATION

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President
Arizona Land Advisors

ASFMRA Spring Agriculture Outlook Forum
Managing Development / Growth

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Scottsdale, Arizona



Introduction

- An area of explosive growth
- This growth has provided both benefits and challenges.
 - Benefits
 - Opportunity
 - Financial Gain
 - Quality of Life
 - Challenges
 - Traffic
 - Pollution
- Our goals today
 - Clarify the role of the Land Broker
 - Describe the development of the 2 “hottest” regions:
 - Southwest Maricopa County
 - Southeast Maricopa County + Pinal County



Role of a Land Broker

- Representative of the buyer and/or seller

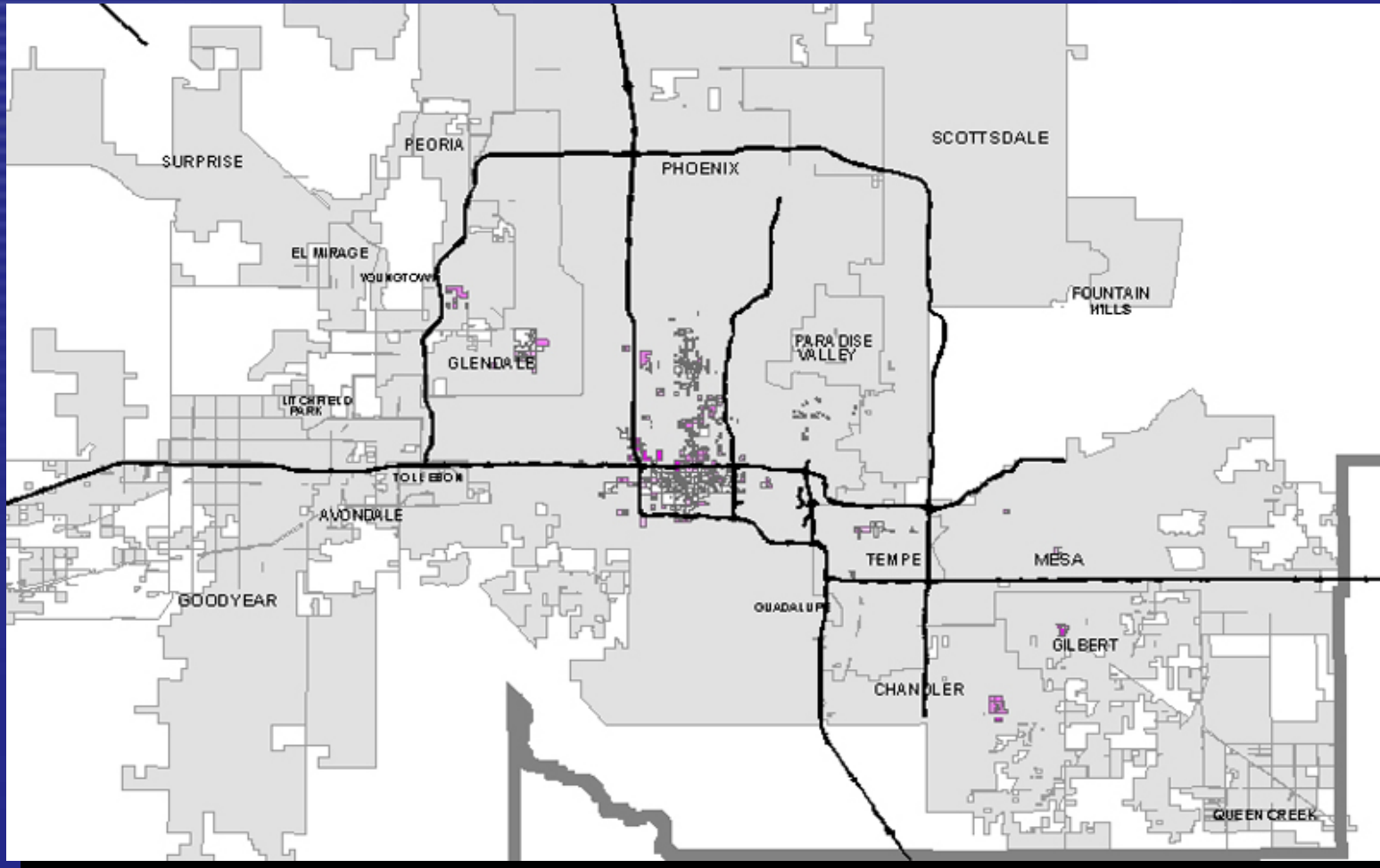
- Facilitator of a transaction
 - Not a Developer
 - Not an adversary of the farm, ranch owner
 - Rather, a conduit that provides opportunity
 - Often works with groups to preserve, rather than develop, land

- Important distinction
 - Who we serve
 - Our objectivity



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1920

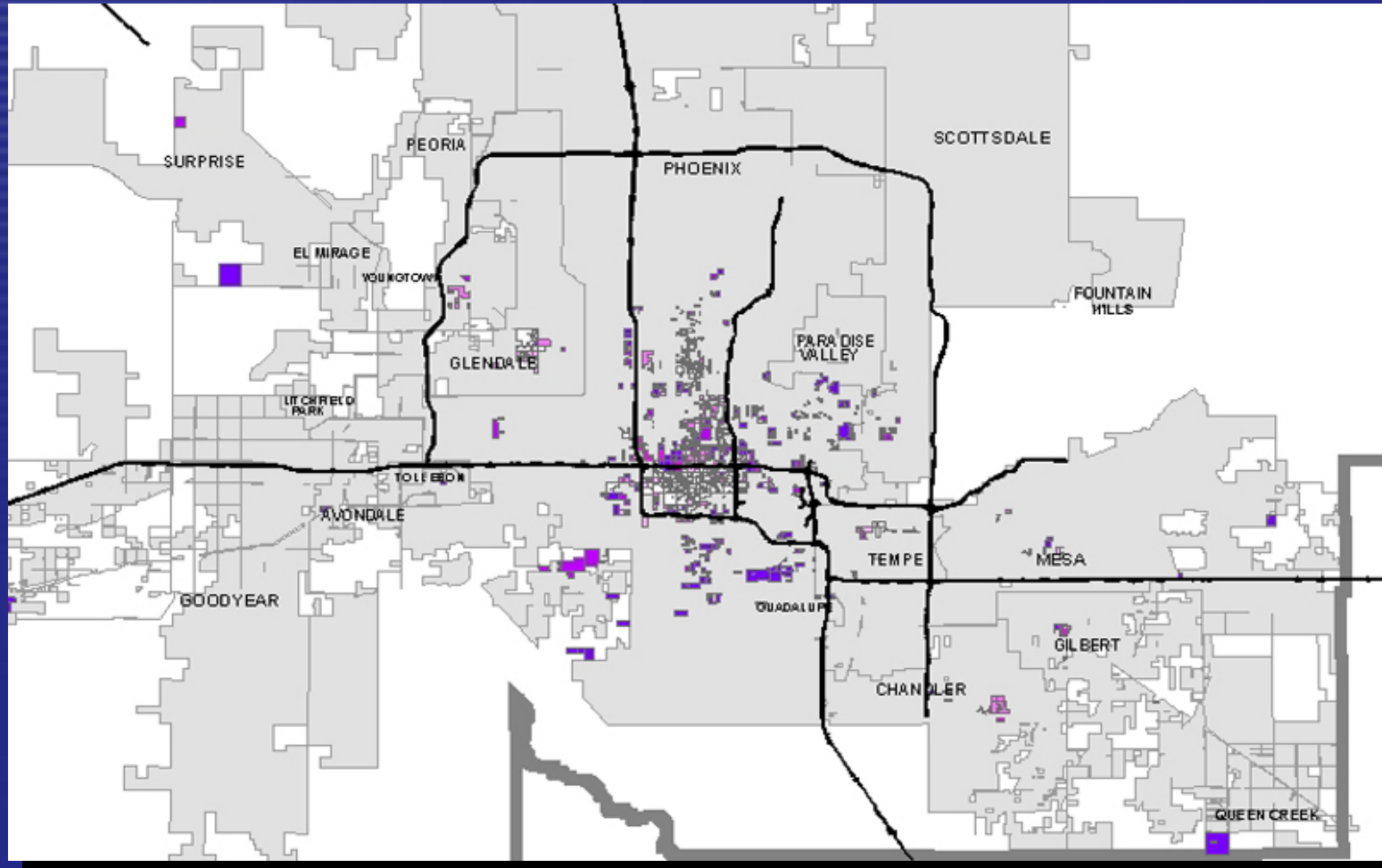


89,600



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1930

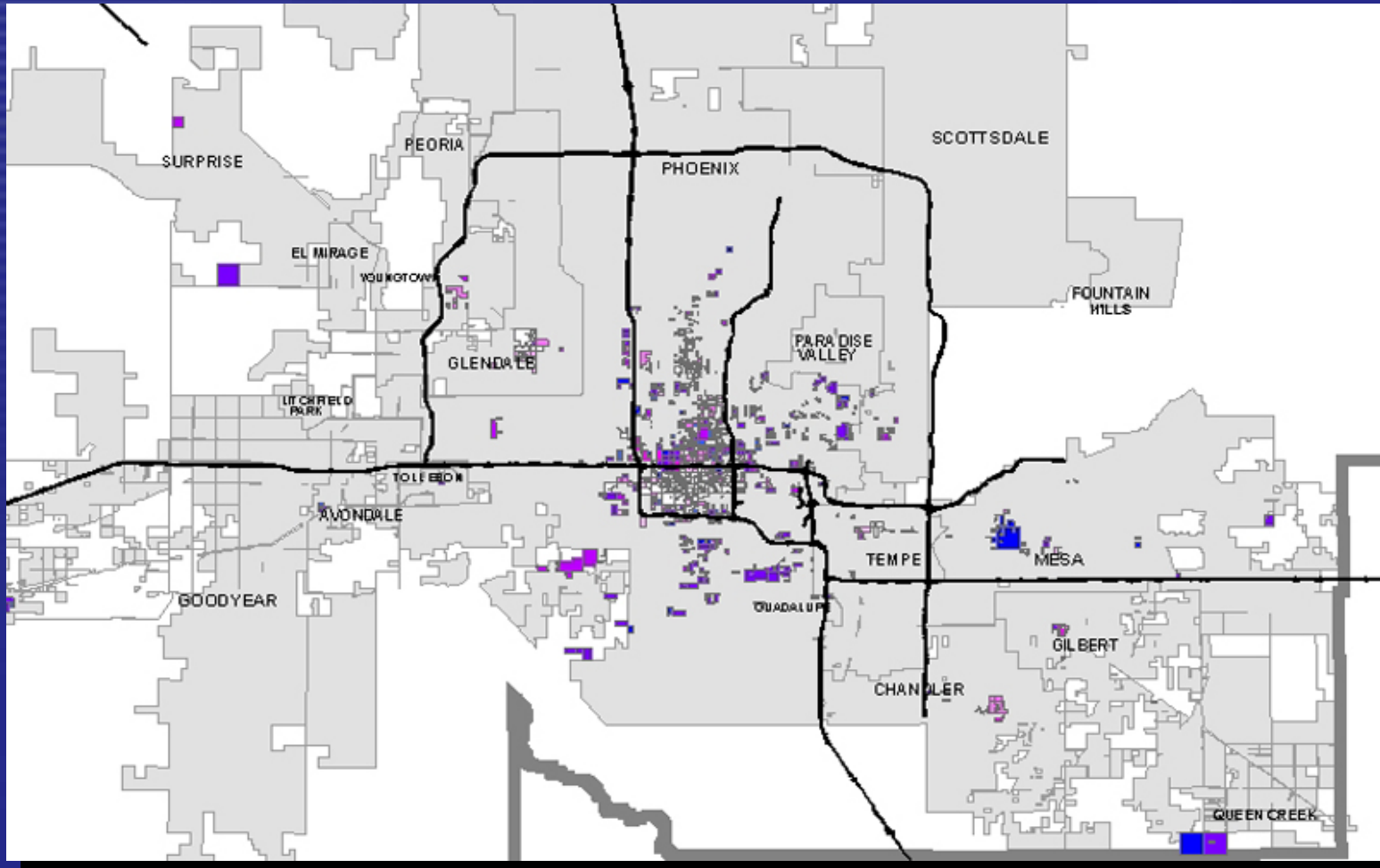


151,000



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1940

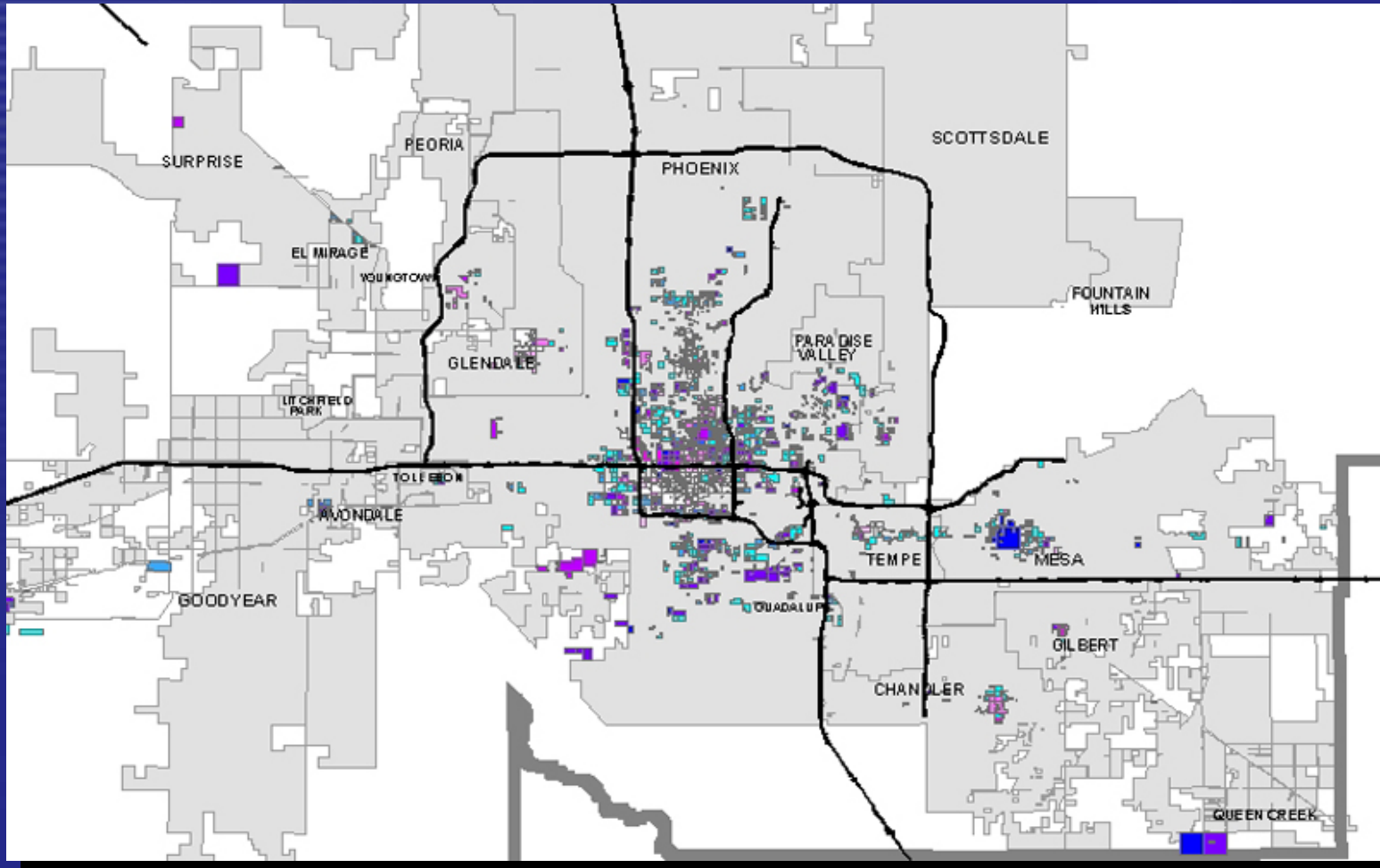


186,200



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1950

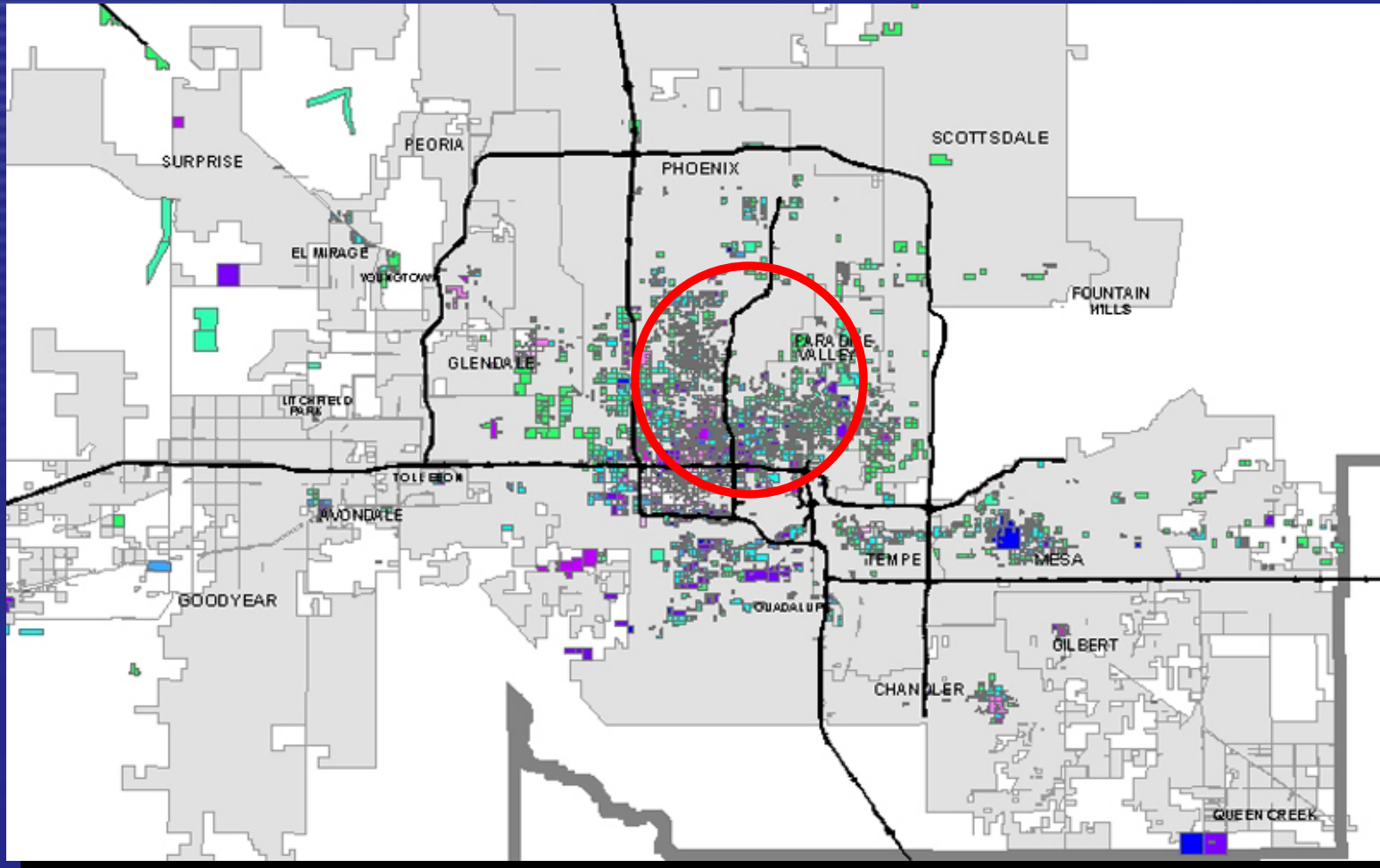


331,800



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1960

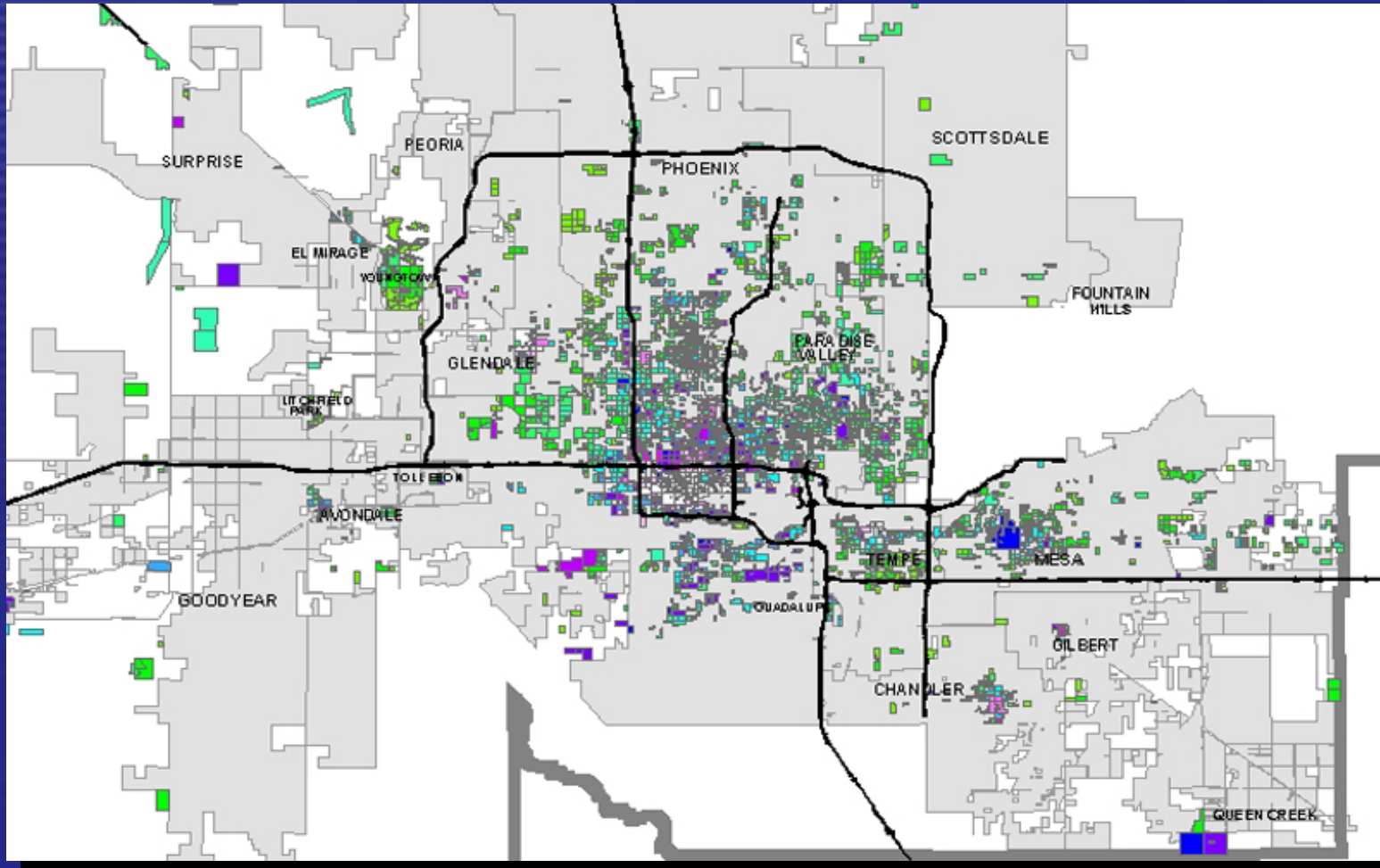


663,500



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1970

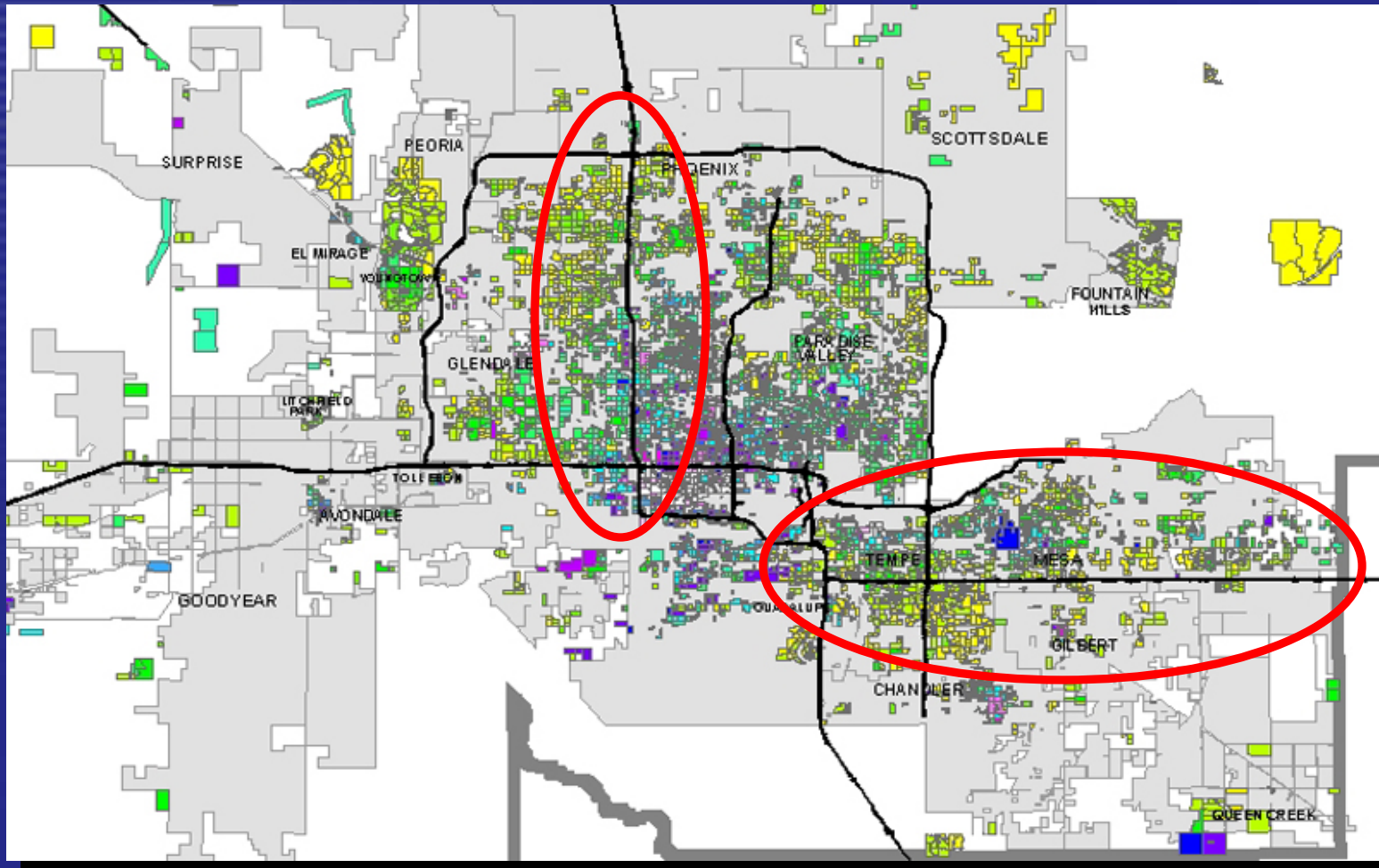


967,500



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1980

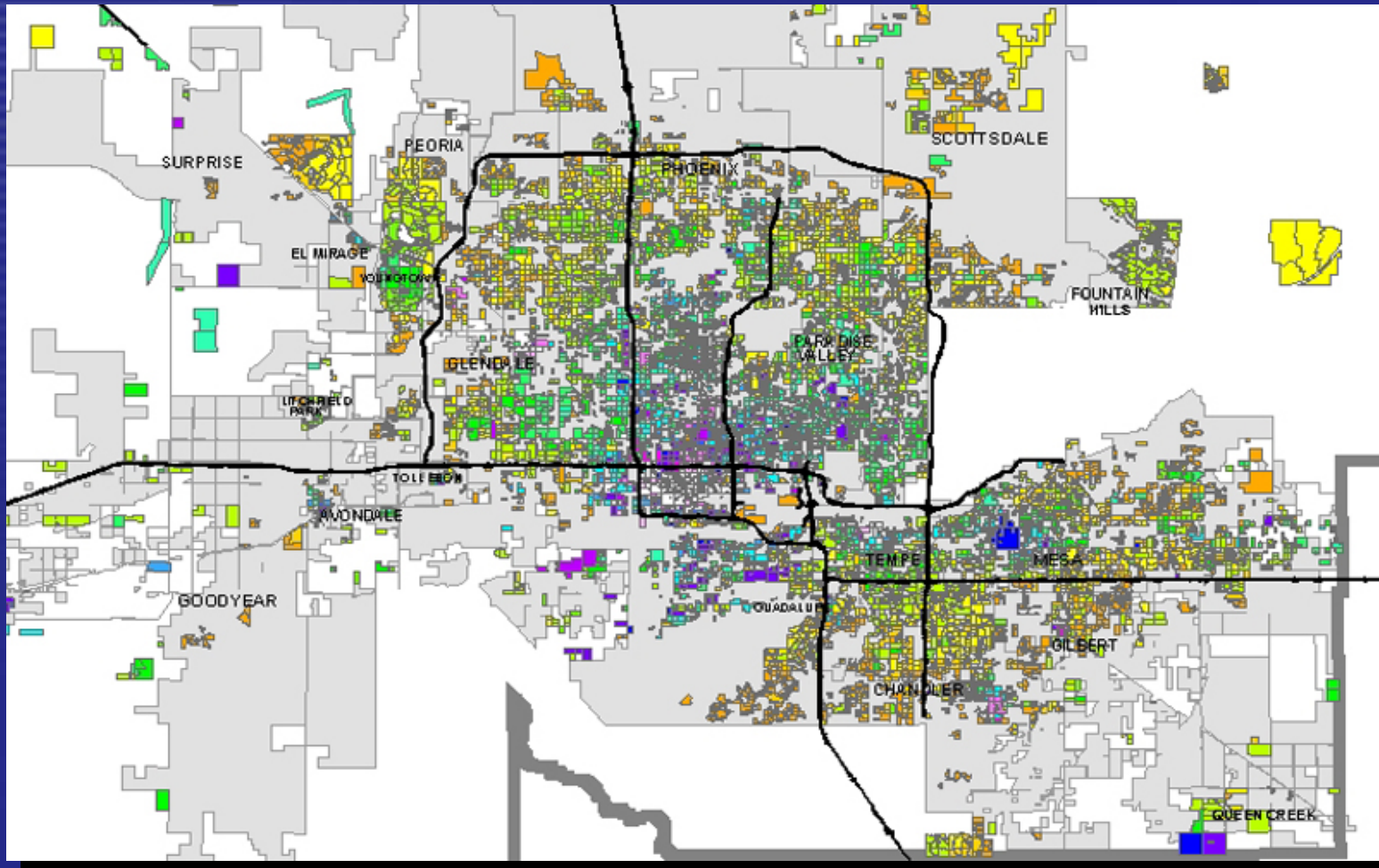


1,508,500



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1990

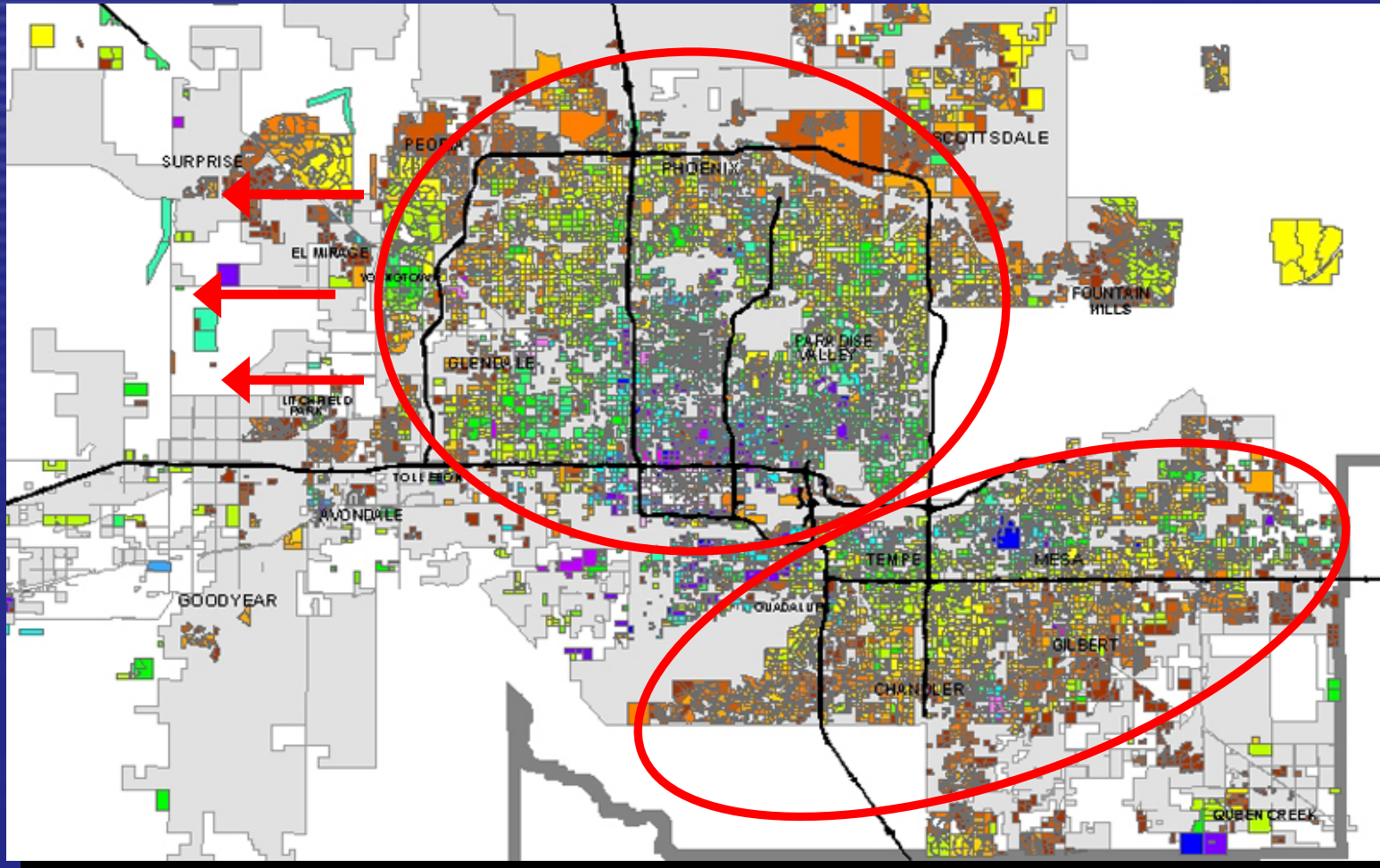


2,122,100



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2000

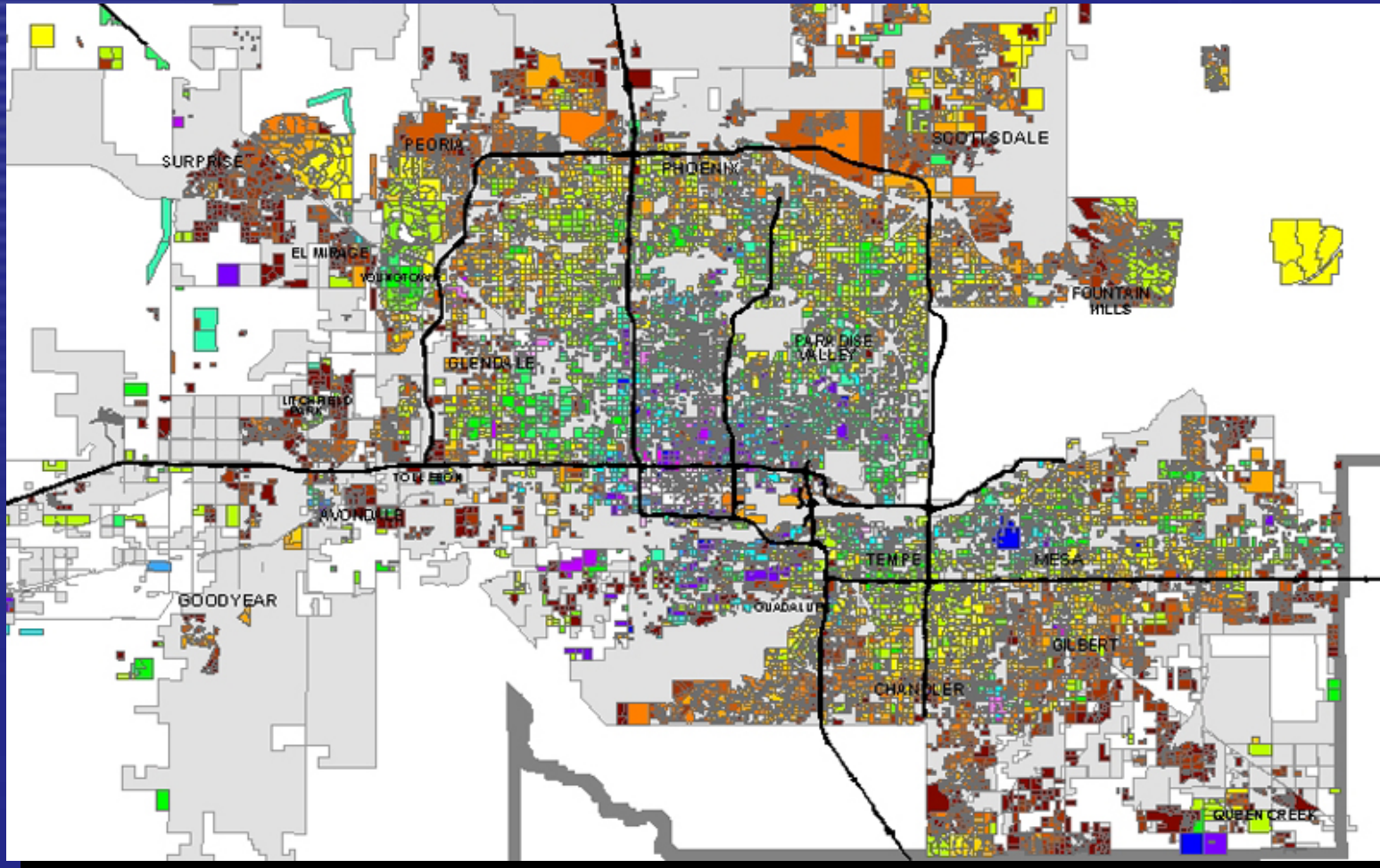


3,072,100



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2002



3,072,100



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Market Facts

Population

State

5.5M State (growing by 150K per year)

Maricopa County

3.4M (growing by 100K per year)

Employment

State

40,000 new jobs this year

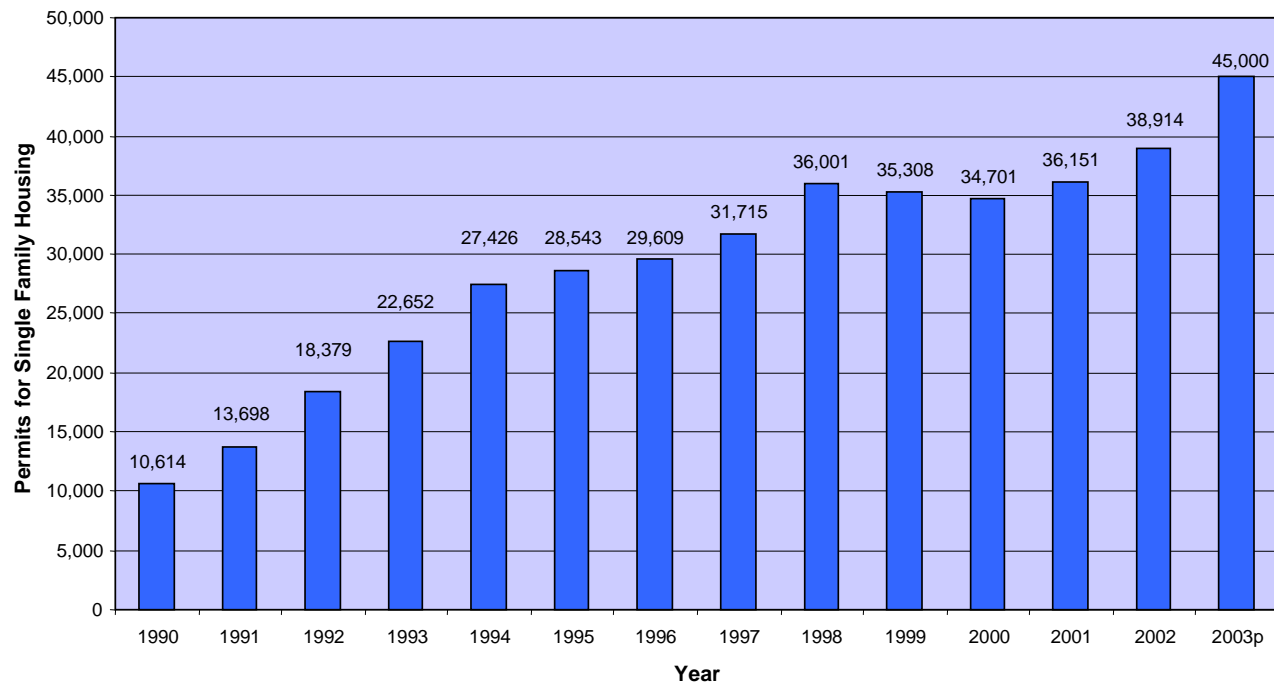
Maricopa County

27,000 (of the 40,000) will be in Maricopa County



Building Permits

Historical New Home Permits Maricopa and Pinal Counties



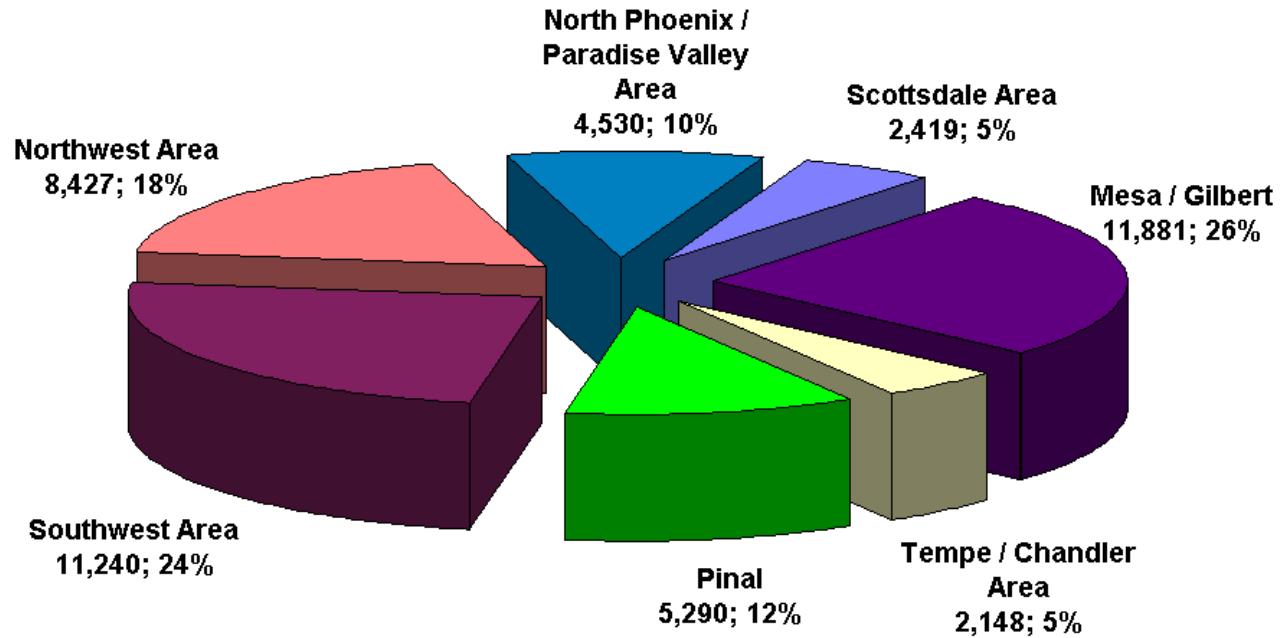


Market Share

Market Share - Metropolitan Phoenix

Single Family Residential Permits

12-Month Period Through 11/30/2003





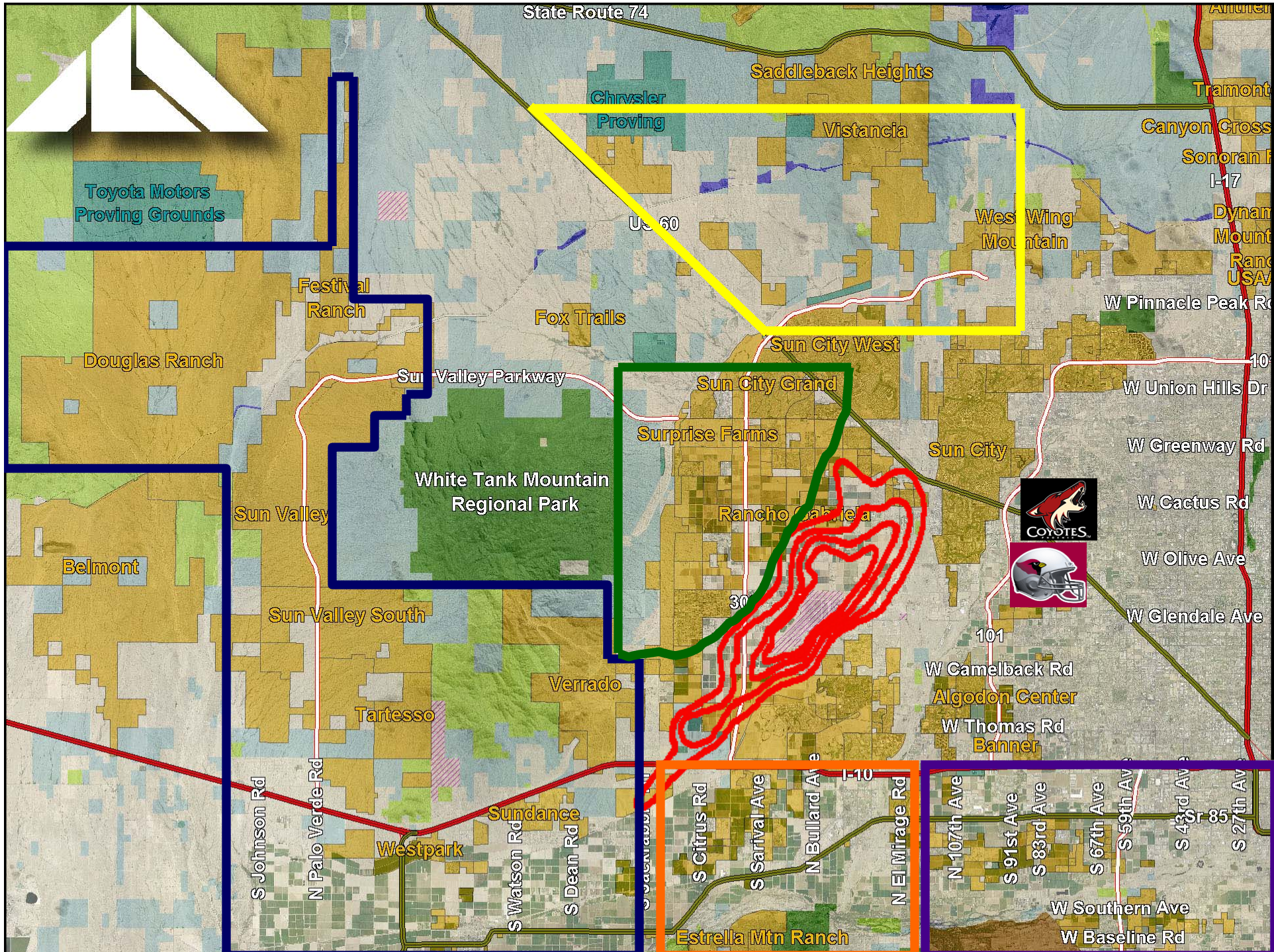
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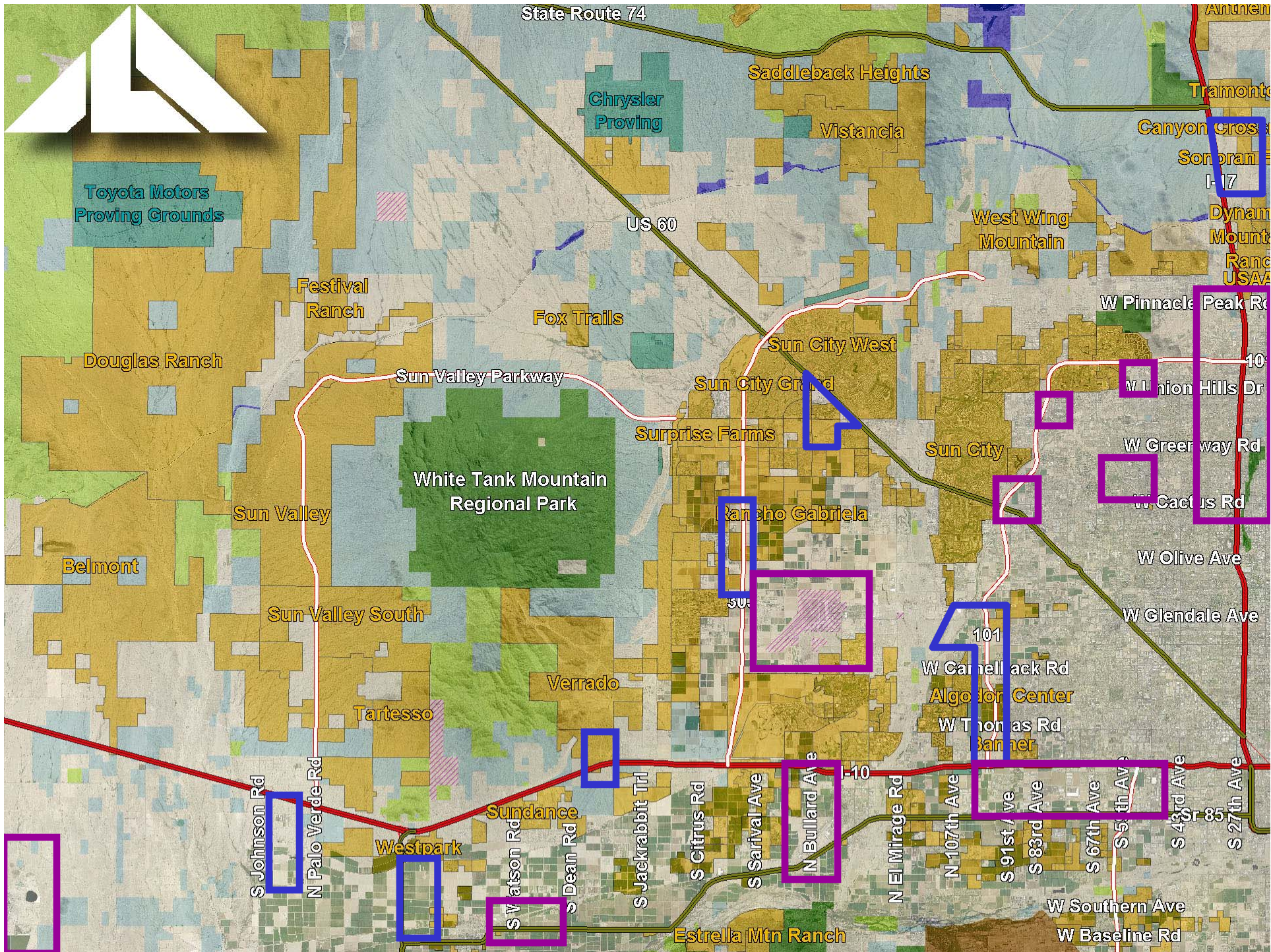
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Phoenix MSA Commercial Sector (Q403)

	<u>Vacant</u>	<u>Total</u>	<u>Under Construction</u>
Office	18.3%	60M sf.	1M sf.
Industrial	(9.7%)	215M sf.	2.4M sf.
Retail	7.4%	109M sf.	3.3M sf.
Apartment	(9.7%)	216K units	4,400 units

Source: CBRE







Discussion

West Valley Summary

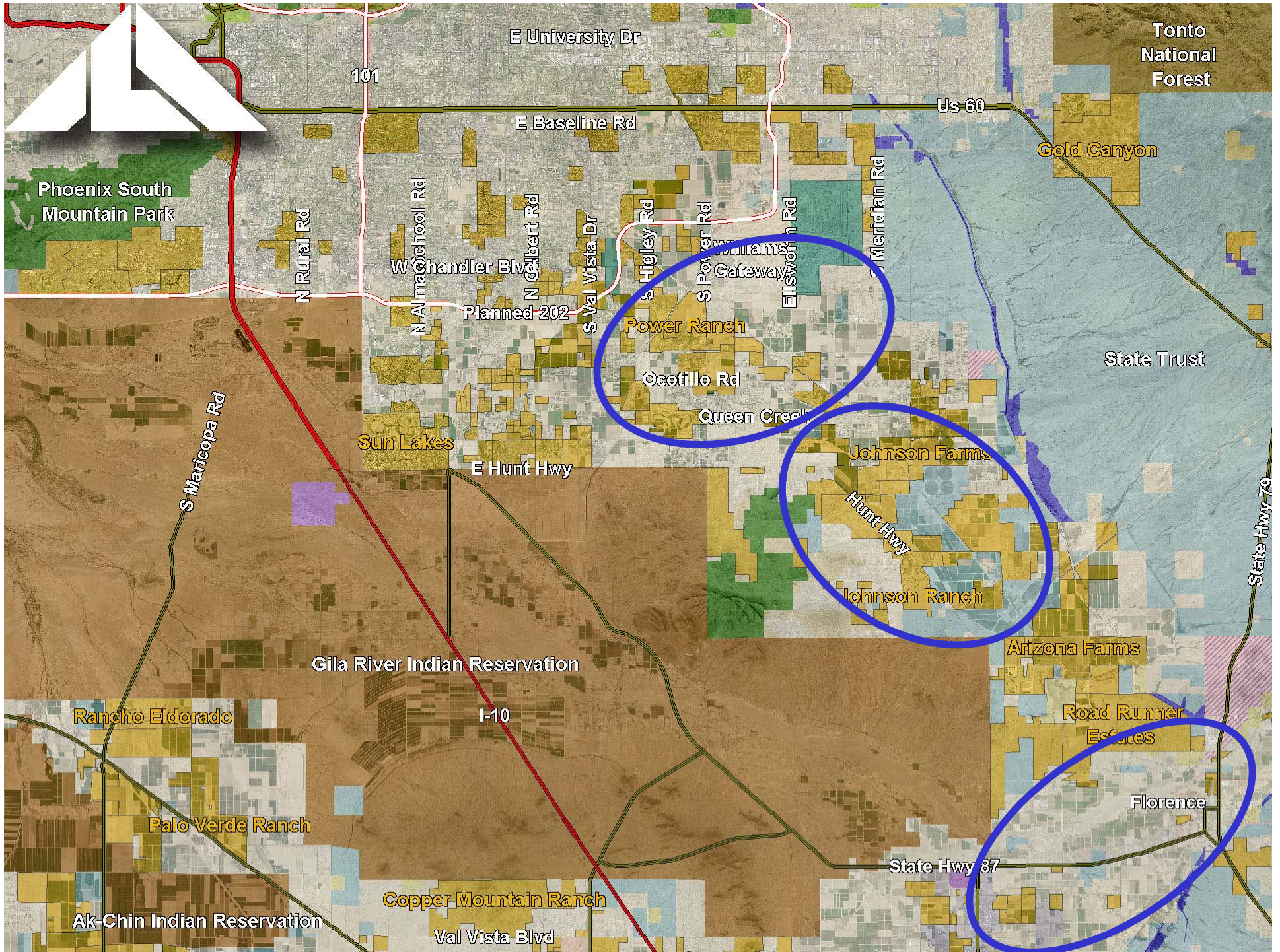
Population

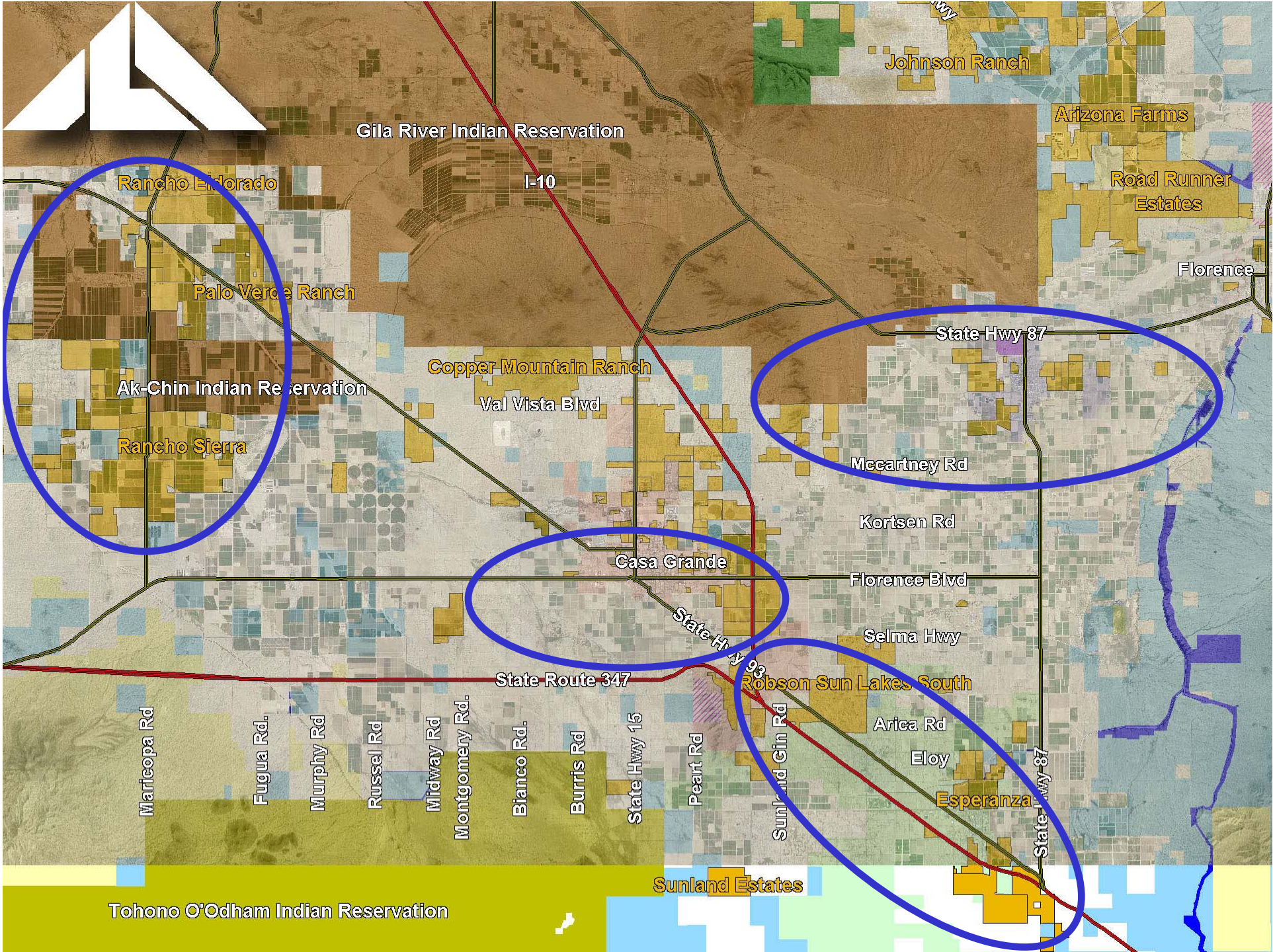
- The West Valley will need to accommodate 500,000-600,000 people across the next decade
- Approximately 200,000 new residential housing units will be built
- The vast majority of units will be built in high quality, large-scale Master Planned Communities

Employment

- Currently 1/3 of the population and 1/3 of the jobs are in the West Valley
- This growth is attracting large employers
- The type of employment will shift from exclusively lower-paying to a broad mix of jobs
- Better demographics bring better jobs, and better jobs bring better demographics

The West Valley's growth has only just begun!





Johnson Ranch

Arizona Farms

Road Runner Estates

Florence

Rancho Eldorado

Palo Verde Ranch

Ak-Chin Indian Reservation

Copper Mountain Ranch

Val Vista Blvd

Rancho Sierra

State Hwy 87

Mccartney Rd

Kortsen Rd

Casa Grande

Florence Blvd

Selma Hwy

State Route 347

Robson Sun Lakes South

Arica Rd

Eloy

Esperanza

Sunland Estates

Sunland Gin Rd

State Hwy 93

State Hwy 15

Pearlt Rd

Burris Rd

Bianco Rd.

Montgomery Rd.

Midway Rd

Russel Rd

Murphy Rd

Fugua Rd.

Maricopa Rd

Gila River Indian Reservation

I-10

Tohono O'Odham Indian Reservation



Discussion

South / Southeast Valley Summary

Maricopa County

- Desirable location
- Immediate opportunity
- Areas to consider include:
 - Gilbert
 - Chandler
 - Queen Creek

Pinal County

- Pricing
- Jobs are already in place
- Growth-friendly municipalities
- Areas to consider include:
 - Maricopa
 - Florence / Johnson Ranch
 - Eloy
 - Casa Grande



Challenges / Key Issues

Challenges / Key Issues to Farm & Ranch Owners

- Changes in property values
- Retirement income for many
- Does it change the concept of legacy?
- Working within the development occurring all around you



Conclusion

- We grow because we are desirable
- This growth is not going to go away
- It can be an opportunity to you
- We are lauded for our intelligent growth policies
- By continuing this intelligence we can continue to have a great place to co-exist