

PRESS RELEASE

FOR IMMEDIATE RELEASE

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Metro Commercial Properties and Principal Real Estate Investors Announce Mesa Light Industrial Development

Tempe, AZ – On Thursday, July 9, 2015, Metro East Valley Holdings, LLC, a joint venture between Tempe based Metro Commercial Properties, Inc., and a private REIT managed by Principal Real Estate Investors, Des Moines, IA, completed the purchase of 21.5 acres of land fronting the US 60 Superstition Freeway in Mesa, Arizona, for a planned four building light industrial development.

The seller in the transaction was PuppyFeathers, LLLP, an entity controlled by Craig Berge, also president of Berge Ford, Inc. The site located at 614 – 720 East Auto Center Drive, is immediately east of the Berge Ford dealership with frontage on the south side of the U.S. 60 at Mesa Drive. The \$6.5 million land sale was brokered by Kurt Saulnier, Ken McQueen and Chris McClurg of Lee and Associates Arizona.

The 21.5 acre site was formerly zoned for automotive dealership use. The team at Metro Commercial Properties, led by veteran zoning attorney Mike Withey of Withey Morris, completed a re-zone of the site on February 23, 2015, to allow industrial uses for the proposed multi-tenant light industrial project. Upon receipt of permits with the City of Mesa, construction is scheduled to commence in August 2015.

McCall & Associates Architects (Jeff McCall) of Scottsdale was engaged as the project architect and designed the four-building project to accommodate the anticipated small and medium sized user profile of the southeast valley industrial market in attractive rear load buildings. Each of the four buildings were designed to break down to accommodate a diverse size of users ranging from as small as 5,750 square feet to as large as 128,000 square feet. Building features include a 180 foot shared truck court, grade level and truckwell loading, clear heights of 24' and 30', ESFR sprinkler system, and parking for 640 cars (1.86/1000 SF).

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About Lee & Associates

Lee & Associates Arizona specializes in providing exceptional commercial brokerage services to the industrial, office, land and investment sectors of the Phoenix commercial real estate market. The Phoenix office was established in 1991 and is now recognized as one of the most successful brokerage firms in the state. Each of our nationwide Lee & Associates offices has a strong local ownership combined with a powerful platform from the national Lee & Associates network.

Upon completion of the project in March, 2016, the development will add 349,049 square feet of additional light industrial product to the inventory base of the Southeast Valley, a submarket with only 8.9% overall warehouse vacancy according to 2nd quarter industrial reports published by Lee & Associates Arizona.

"We were extremely fortunate to work with Craig Berge in the acquisition of this in-fill industrial site with over 1,300 feet of highly visible frontage along the US 60 Superstition Freeway." stated Janet Herlyck, Vice President of Metro Commercial Properties. "The site has tremendous accessibility off of the US 60 between two full diamond interchanges at Mesa Drive and Stapley." In addition to the controlled intersection at Mesa Drive and E. Auto Center, two additional controlled Baseline Road intersections at S. Hobson and Horne Drive provide very convenient truck access to the site.

"The site is literally the geographic center of the entire southeast valley industrial submarket," added Tony C. Hepner, Principal of Metro Commercial Properties. "The infill location and freeway infrastructure of the Metro East Valley Commerce Center site allow industrial users to serve their customer base, northwest to Sky Harbor Airport and southeast to Phoenix-Mesa Gateway from a single central location with delivery times of less than 30 minutes."

Nitti-Graycor Construction has been engaged as the project's general contractor. Bank of America, N.A. provided construction financing to the Metro-Principal joint venture. The team of Saulnier, McClurg and McQueen of Lee & Associates has been retained by the developer to provide leasing services for the new project which is currently marketing space for the March 2016 delivery date.

For more information, visit the property website at www.mevcc.com or contact the leasing team at:

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About Metro Commercial Properties

Metro Commercial Properties is a regional development and property management enterprise, based in Tempe since 1986. Metro develops and manages both office and industrial for its own equity account, as well as for public and private institutional capital clients. Its current management portfolio consists of over 3 million square feet of office and industrial property spread throughout the greater Phoenix MSA. For more information about Metro and its current development projects, visit www.mcpaz.com.



About Principal Real Estate Investors

Principal Real Estate Investors manages or sub-advises \$47.8 billion in commercial real estate assets. The firm's real estate capabilities include both public and private equity and debt investment alternatives. Principal Real Estate Investors is the dedicated real estate group of Principal Global Investors, a diversified asset management organization and a member of the Principal Financial Group.

