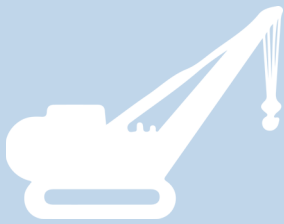


For FY 2017/2018, City Council set Priorities and Key Objectives within their Strategic Plan, including the continued effort to revitalize the McDowell Road Corridor (MRC).

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.

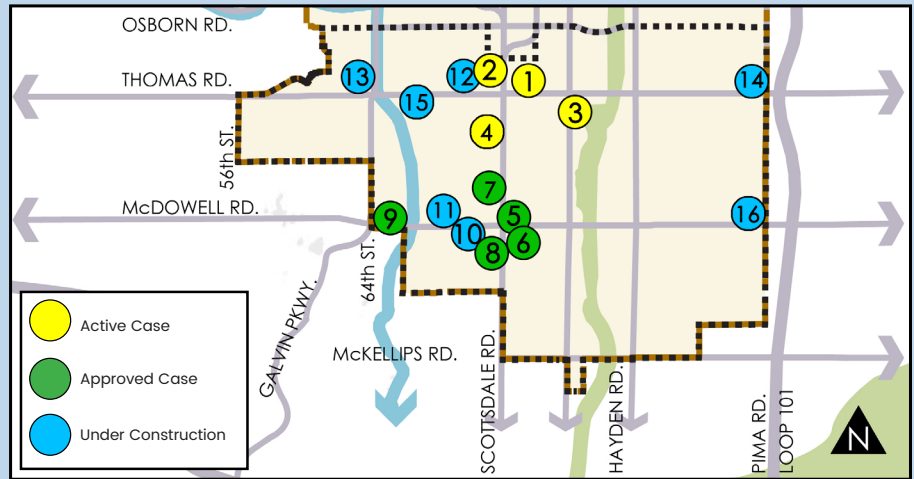
Development Activity

This map depicts private development activity within the MRC, representing activity at the end of calendar year 2017. Pins on the map correspond with active or approved cases, as well as projects under construction.



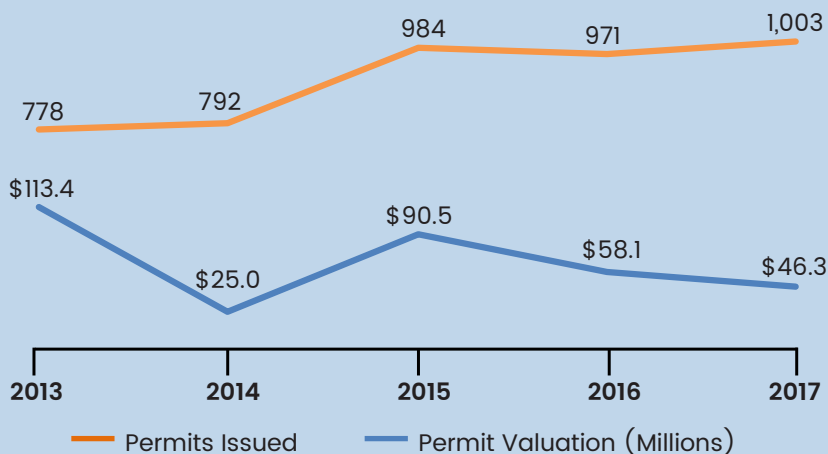
\$46.3

Million in improvement valuation provided by major projects for the reporting period.



- | | | |
|---|--|--|
| <p>1 <u>Country Inn Hotel</u>
±50 room hotel</p> <p>2 <u>Proposed Self Storage</u>
Self-storage facility</p> <p>3 <u>2529 North Hayden</u>
±31 condominiums</p> <p>4 <u>Wilshire Place</u>
±5 townhome units</p> <p>5 <u>Skysong Hotel</u>
±148 room hotel</p> <p>6 <u>SkySong 6</u>
Commercial/Office/Retail</p> | <p>7 <u>South Scottsdale Multi-Family</u>
±170 apartment units</p> <p>8 <u>North 70</u>
±65 single-family homes</p> <p>9 <u>Scottsdale Entrada</u>
±560 apartment units, retail & office</p> <p>10 <u>Skye I & II on McDowell</u>
79 single-family homes</p> <p>11 <u>Aire on McDowell</u>
81 single-family homes</p> | <p>12 <u>70th St & Earll Townhomes</u>
7 townhome units</p> <p>13 <u>Scottsdale Executive Villas</u>
Restaurant & retail</p> <p>14 <u>Pima Thomas Center</u>
Self-storage facility</p> <p>15 <u>Diamante Condominiums</u>
144 multi-family units</p> <p>16 <u>Monolith Storage Facility</u>
Self-storage facility</p> |
|---|--|--|

Permit Activity, 2012 - 2017



Operation Fix-It

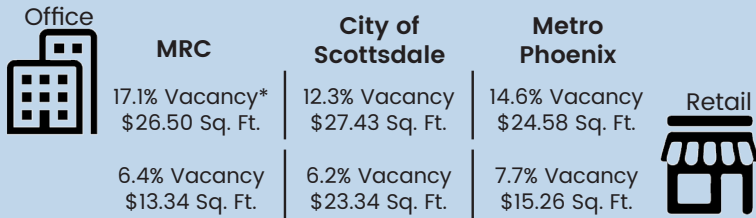
Operation Fix It provides assistance to Scottsdale home owners with exterior improvements to their properties when they are unable due to financial/physical constraints. Nearly 700 volunteers graciously put in 2,000 hours of sweat equity, a cost savings of \$50,622 in an effort to help qualified residents stay sustainable in their homes.

\$41k

in charitable contributions from generous donors to the program in 2017.

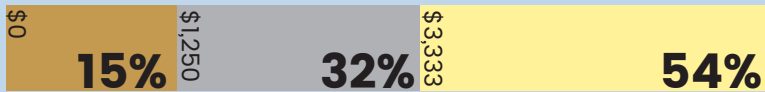
Source: City of Scottsdale Operation Fix-It recording as of December 2017.

Commercial Occupancy Trends



Source: CoStar, December 2017.
*Vacancy increase from 6.4% in 2016 due to SkySong adding ±290,000 SF (88-DR-2008 #8) of vacant office space in 2017.

Local Area Job Earnings Per Month



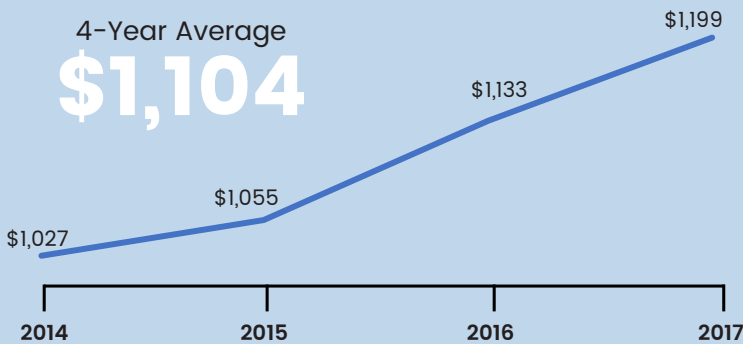
Source: US Census, LEHD On The Map 2015.

Multifamily Housing

Approximately 55% 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. In fact, all apartments completed since 2011 (1,329 units) align with these rental categories.

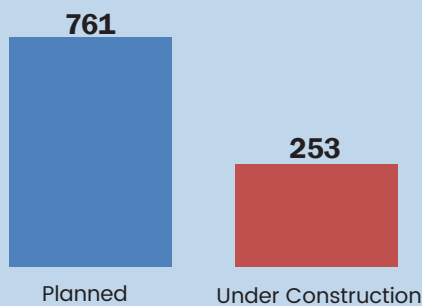
18%
of all multifamily housing in the McDowell Corridor is less than 5 years in age

Yearly Average Rent



Multifamily Units in Development

95%
of all multifamily housing in the McDowell Corridor is Occupied

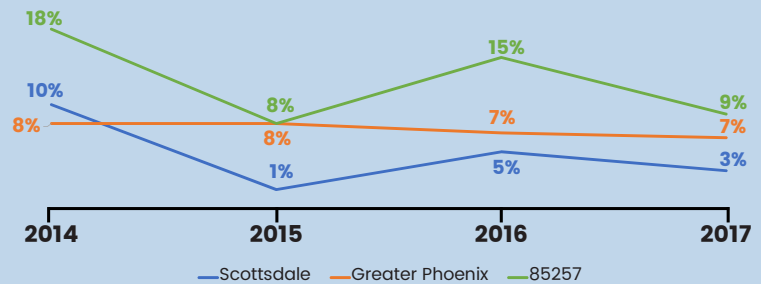


Source: YARDI Matrix Multifamily Analytics, Q4 2017.



Aire on McDowell – New residential development under construction, and to be completed in 2018.

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 \$206, price per square foot. Scottsdale as a whole, however, is at \$245, price per square foot - making the MRC an affordable option for those choosing home ownership in Scottsdale.

Source: ARMLS Single-Family Detached Reporting, January 2018.

Occupied Housing Spotlight, 85257



Source: American Community Survey, 2015 5-Year Estimate.