

SunCor  
Development  
Company

2008

CORPORATE  
HIGHLIGHTS



# 2008 Corporate Highlights



During a year that commercial construction, sales and leasing slowed to a crawl in the metropolitan Phoenix area, SunCor set a company all-time record for commercial sales.

SunCor sold \$113.8 million in commercial assets, including one of the year's largest single sales of \$92.5 million — when Sumitomo Corporation of America bought Hayden Ferry Lakeside Office Tower II in July.

Despite the challenges of a slow economy in 2008, in some of its six communities in four states, SunCor was among the last homebuilders to remain open for business by creating a variety of more efficient new home designs and reducing overhead expenditures.

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SunCor was named 2008 Developer of the Year by the Arizona Chapter of the National Association of Office and Industrial Properties (NAIOP).

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For the fourth time in five years, a team of SunCor employees won The Brokers' Cup—an award from the Scottsdale Active 20/30 Club. By generating the largest total of charitable gifts and pledges of all the competitors to support local children's charities, SunCor won the right to distribute more than \$47,000 in philanthropic gifts to Phoenix-area non-profit children's organizations.



## Commercial Development

[Palm Valley 303 – Goodyear, Arizona](#)

[Palm Valley Office Park – Goodyear, Arizona](#)

[Palm Valley Village Shopping Center – Goodyear, Arizona](#)



*Palm Valley 303*



*Palm Valley 303*



*Palm Valley Office Park*



*Palm Valley Village Shopping Center*

Palm Valley 303, a 1,600-acre, 19.6 million-square-foot master planned business park was unveiled with a showing of its first building — a 440,000-square-foot cross-dock distribution building on March 3, or 3.03.

Expected to take more than two decades to complete, the construction of Palm Valley 303 is estimated to have an economic impact of \$2.4 billion to the Arizona economy, according to an economic and fiscal impact report produced by a local real estate and economic consulting firm.

Palm Valley 303 will ultimately include more than 60 buildings ranging in size from 10,000 to more than one million square feet, totaling 19.5 million square feet at completion. The categories and square footage of the project include:

- Office – 1.8 million square feet
- Flex Office – 1.3 million square feet
- Retail – 2.8 million square feet
- Light Industrial – 1.3 million square feet
- Warehouse and Distribution – 12.3 million square feet

In December, SunCor completed the last major commercial Real Estate transaction of 2008 in the metropolitan Phoenix area when a Colorado investor paid \$10 million for the Palm Valley Village Shopping Center. The 30,500-square-foot retail center was purchased by JRFCO, L.L.C.

## Urban Mixed Use

Hayden Ferry Lakeside – Tempe, Arizona  
Bridgeview Condominiums – Tempe, Arizona  
Office Tower II – Tempe, Arizona  
Retail Office Lofts – Tempe, Arizona



*Bridgeview Condominiums*



*Retail Office Lofts*



*Hayden Ferry Lakeside*



*Bridgeview Condominiums*

Many waited for more than a year for construction to be completed, but the waiting was over and excited residents began to move into their new condos in February when the 12-story nautical themed Bridgeview Condominium tower opened on the south shore of Tempe Town Lake.

Nearly half of the 104 luxury condominium units were sold before construction was finished. Each residence—from the four 5,000 square-foot penthouses to the 1,168 square-foot one-bedrooms, and every unit in between—has a private patio or balcony with an unobstructed view of Tempe Town Lake and surrounding mountain ranges.

June marked the single largest commercial Real Estate transactions of 2008 in one of the Phoenix market when Sumitomo Corporation of America purchased the award-winning 12-story Hayden Ferry Lakeside Office Tower II for \$92.5 million.

The 299,540 square-foot building was more than 80 percent leased at the time of the sale. It features nautically-inspired architecture, an entry and lobby designed to create an underwater atmosphere, underground parking and a prime waterfront location on Tempe Town Lake with 360-degree views of the metropolitan Phoenix area, Phoenix Sky Harbor Airport, Arizona State University and distant mountains.


Before residents began moving in, the penthouses atop the Bridgeview Condominium building and the office space on the 12th floor of Office Tower II were the sites for several of the most prestigious and high profile business and social events sponsored by the National Football League and the Arizona Super Bowl Host Committee during the week preceding Super Bowl XVII.

## Urban Mixed Use


*(continued)*

Hayden Ferry Lakeside – Tempe, Arizona  
Bridgeview Condominiums – Tempe, Arizona  
Office Tower II – Tempe, Arizona  
Retail Office Lofts – Tempe, Arizona

In the fall of 2008, the first tenants signed leases to take occupancy of suites in the 21,000 square-foot Retail Office Lofts building at Hayden Ferry Lakeside. A variety of retail and convenience businesses opened throughout the building in 2009 including Knoll Furniture, Segway of Tempe and a deli market.



It was another award-winning year at Hayden Ferry Lakeside as SunCor won two prestigious Gold Nugget Awards from the Pacific Coast Builder Conference (PCBC): Best Attached Housing Project—High Rise, for the Bridgeview Condominium tower and Attached Urban Residential Project of the Year, for the Edgewater and Bridgeview Condominiums at Hayden Ferry Lakeside.



Hayden Ferry Lakeside Office Tower II was named Spec Office Building of the Year, Greater than 125,000 Square Feet, by the Arizona Chapter of the National Association of Industrial and Office Properties (NAIOP), and was also recognized with the organization’s prestigious “Talk of the Town” Award.

## Master Planned Communities

Avimor – just north of Boise, Idaho

Coral Canyon – Washington, Utah near St. George

Rancho Viejo – Santa Fe, New Mexico

StoneRidge – Prescott Valley, Arizona



*StoneRidge*

SunCor Utah, Inc. was named 2008 Builder of the Year by the Southern Utah Home Builders Association (SUHBA). As developer of Coral Canyon, SunCor Utah was recognized for excellence in quality construction and providing opportunities for consumers to have safe and affordable housing. SUHBA is a trade association representing more than 750 building industry businesses throughout Washington, Kane and San Juan Counties of Southern Utah.



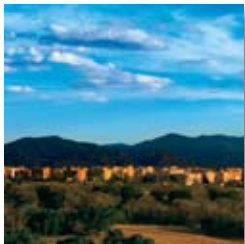
*Avimor*

An ongoing commitment to preserving and utilizing open space in SunCor communities was represented again in 2008 as Avimor was host to the 6th Annual Coyote Classic Mountain Bike Race, and Rancho Viejo hosted the 10th Annual Rancho Viejo 10K and 5K Run.



*Coral Canyon*

In July, hundreds of guests celebrated the Grand Opening of the new La Entrada village at Rancho Viejo, by attending the Rancho Viejo Family Festival. Five fully decorated Energy Star certified models were unveiled in the 456-lot subdivision throughout the day-long celebration.



*Rancho Viejo*

April marked the opening of the 23,000 acre master planned community of Avimor with the Foothills Heritage Festival that drew more than 6,000 guests. The event introduced seven new ENERGY STAR certified model homes that feature innovative designs, unprecedented prices for Foothills homes— and plenty of fresh air.

## Master Planned Communities

*(continued)*


Avimor – just north of Boise, Idaho

Coral Canyon – Washington, Utah near St. George


Rancho Viejo – Santa Fe, New Mexico

StoneRidge – Prescott Valley, Arizona


Avimor was one of the first communities in Idaho to be designated a Firewise Community in accordance with the national Firewise Communities program in the spring of 2008. The multi-agency effort is designed to reach beyond local fire services in the effort to protect people, property and natural resources from the risk of wildland fires. Preventive measures include mowing and herbicide application on approximately 92 acres of natural open space to reduce the amount of potential fuels within and adjacent to the community.




Rancho Viejo was recognized by the New Mexico Branch of the Associated General Contractors of America (AGC) when it received the organization's 2008 Best Buildings Winner award for the Rancho Viejo Wastewater Treatment Plant. The \$2.47 million facility harvests waste water for re-use in the irrigation of common areas and community parks.



The term “Bulk Build” was coined at Rancho Viejo in 2008 to describe a new construction technique to improve efficiency. In just 90 days, the team completed 22 new homes by starting construction of groups of four homes at a time, and scheduling work not by the day—but by fractions of a day. By the time the final home was completed, the first 21 had already been sold.



Working cooperatively with Santa Fe County, SunCor New Mexico introduced the first production model solar home in Santa Fe in 2008. The home demonstrated that solar heating and cooling technology can be built into a production house and made available to any prospective buyer at Rancho Viejo.



A model home at Avimor was recognized with six awards in May, including Best in Category for Energy Efficient Design and Construction, at the 2008 Parade of Homes sponsored by the Building Contractors Association of Southwestern Idaho. The Liberton home design was also recognized for high achievement in the categories of Kitchen Design, Master Suite, Interior Finish, Interior Architecture and Exterior Architecture.

## Community Homebuilding

SunCor Homes at Palm Valley – Goodyear, Arizona  
SunCor Homes at Prescott Lakes – Prescott, Arizona



*Palm Valley*



*SunCor Homes at  
Prescott Lakes*

In October, SunCor Homes was presented with the AVID Finalist Award for Best Customer Experience in Phoenix for its work in the Palm Valley master planned community. Thousands of new home buyers in the Phoenix area were polled in 2008, and SunCor finished second to only one other home builder in several important satisfaction criteria.

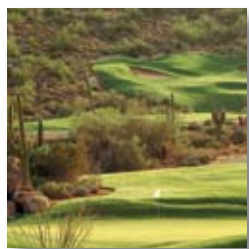
The survey was conducted by the independent national research company AVID Ratings without the knowledge of, or any entry fees from, the dozens of Phoenix-area homebuilders that were included in the study. The award was announced in *Professional Builder* magazine.

A full 98 percent of SunCor home buyers in the Palm Valley master planned community are willing to recommend SunCor to a family member or friend, and 89 percent of the people who bought a SunCor home referred at least one person to the sales center in Palm Valley.

## SunCor Golf

SunRidge Canyon – Fountain Hills, AZ  
Sedona Golf Resort – Sedona, AZ  
StoneRidge – Prescott Valley, AZ  
Palm Valley – Goodyear, AZ

Club West – Phoenix, AZ  
Sanctuary – Scottsdale, AZ  
Coral Canyon – Washington, UT



SunRidge Canyon

SunCor Golf and Gompers Habilitation Center in Phoenix began a pilot project in 2008 to provide employment opportunities for adults with disabilities at four Phoenix-area golf courses operated by SunCor Golf. Through this first-of-its-kind project, disabled adults worked with grounds crews to replace divots, repair ball-marks on greens, plant grass seed and help with general course maintenance.



Sedona

*Golf World* magazine readers chose the SunCor owned and operated SunRidge Canyon Golf Club in Fountain Hills, Arizona as the 26th best public golf course in the U.S. in a 2008 Reader's Choice Poll. Reader's Choice Awards were based solely on readers' online responses gathered by Golf Digest Publications' Research Resource Center.



StoneRidge

Readers graded facilities on various criteria, including quality of course, condition of course, reputation and prestige, speed of play, golf pro shop, service and overall value. SunRidge Canyon received an overall score of 80.44 on a 100-point scale; the number one course scored 89.86. Open since 1996, SunRidge Canyon has been recognized as one of Arizona's elite golf facilities by numerous golf publications and by Arizona's top golfers.



Sanctuary

Northern Arizona is one of the Five Favorite Areas in the U.S. that *Golf* magazine senior editor Travelin' Joe Passov loves to play. And the primary reasons that he loves golfing in Northern Arizona are two SunCor Golf courses: Sedona Golf Resort in Sedona and StoneRidge Golf Course in Prescott Valley. He wrote all about it in the November 1, 2008 edition of the publication.

Joe knows what he's talking about. Passov has written more than 750 articles for nearly 60 publications since 1987. He has been a staff editor at four different golf publications and is the former editor-in-chief of *Links Magazine*. He has played more than 1,200 courses in 46 states and 21 countries.

## SunCor Golf

*(continued)*

SunRidge Canyon – Fountain Hills, AZ

Sedona Golf Resort – Sedona, AZ

StoneRidge – Prescott Valley, AZ

Palm Valley – Goodyear, AZ

Club West – Phoenix, AZ

Sanctuary – Scottsdale, AZ

Coral Canyon – Washington, UT

Sanctuary Golf Course in Scottsdale was designated a Silver Signature Course by the National Audubon Society in 2008. This distinction is awarded to courses that meet required Audubon International standards for protecting the environment, conserving natural resources and providing wildlife habitats. Sanctuary has earned this designation every year since 1999.

The course also earned a ZAGAT Award for Value in 2008 for the fourth consecutive year. This award is presented to courses that receive outstanding ratings and reviews from the guests who play there.



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