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Arizona is Hot and That is Not a Weather Report

| By [Lisa Brown](#)

Published: June 20, 2016



Cheney is one of only there are only 20 CRE professionals in Arizona.

PHOENIX—**Andrew Cheney**, principal of **Lee & Associates** has been recently awarded **The Counselors of Real Estate** (CRE) designation. Recognized by their peers, clients and employers, this prestigious award is given for outstanding professional achievement, impeccable judgment and commitment to integrity in the field of real estate counseling. Currently, there are only 20 CRE professionals in Arizona and less than 45 people worldwide who hold a **CCIM**, **SIOR** and CRE designation, as Cheney does. He recently discussed office projects, renovations, current market activity and market predictors in this **exclusive**.

GlobeSt.com: What types of creative office projects are you seeing (warehouse conversions, etc.)?

Andrew Cheney: There are some exciting projects going on in Phoenix. We are home to the **SkySong Innovation Center** which has the most tangible creative vibe I've ever experienced. It's a former mall site transformed into a true mixed use project including nearly 600,000 square feet of creative space. **The**

Warehouse District in Phoenix is gradually picking up steam in Phoenix where users and investors are bringing cool visions to life. I'm leasing a completely renovated office space that was once a plumbing supply building, and formerly train station in the early 20th century.

GlobeSt.com: Are common area renovations picking up steam?

Cheney: Tenant lounges are a recent trend that is gathering strong momentum. The tenant lounge is able to serve as show piece for many projects on tours. Lounges can also serve as an additional on-site amenity which it seems every tenant is demanding in bulk. We have worked with several landlords on bringing tenant lounges to a project and are working with others on this process. Overall it has been a win for the tenants and a win for the landlord.

GlobeSt.com: What is at work with the current strong market activity?

Cheney: Leasing activity is relatively strong. Remember activity and production are two different things. Across all of my listings in Phoenix, tour activity is the best it's been this cycle. Deals are still taking long to close however. I think we will have steady activity for the last few years of this cycle. Capital markets are fickle right now, but I believe they will come around.

GlobeSt.com: What are the market predictors indicating for its sustained path?

Cheney: There are several good predictors of the market, but I would like to highlight a couple of the unique ones: 1) Arizona job growth tops the nation and 2) The growth and success of ASU. While job growth compared to historical numbers for Arizona is not amazing, Arizona is essentially taking off compared to the rest of the country. What we are finding is the proof for Arizona is out in the market and has done wonders for attracting groups to Arizona. We have affordable, educated labor that businesses love.

GlobeSt.com: What else is going on in the office sector that is interesting to note?

Cheney: We are seeing more companies from out of state. It is not just the tech groups from California. It is large international companies that are moving to Phoenix. Word is starting to get out about the amazing value proposition that Arizona and Phoenix offers. These out-of-town groups are creating demand not only for more office space but creative space from the ground up.

The Counselors of Real Estate, established in 1953 and headquartered in Chicago is an international professional organization with members who provide objective, reliable advice and counsel on matters affecting all forms of real property in the United States and abroad. Members include ranking representatives of real estate consulting, financial, legal and accounting firms as well as leaders of Wall Street, government and academia.

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