



AZNORTH Company Profile

Founded in 1993, AZNORTH is a real estate investment, development and management, company with headquarters in Flagstaff, Arizona. We acquire, develop, manage and sell residential, multi-family, and commercial real estate in northern Arizona primarily in the Flagstaff area. Our overall strategy is to enhance the value of our properties by securing and maintaining development entitlements and developing and building real estate projects on our properties for future sale or investment. With a permanent local presence in Flagstaff, we maintain strong working relationships with local government officials and political leaders.

25% of the homes in Flagstaff are second homes, with many of the owners living permanently in the Phoenix area. Flagstaff, the only major city in the mountains north of Phoenix, is a very desirable second home location because summer temperatures average twenty degrees lower than temperatures in Phoenix. Flagstaff is the perfect refuge from the unbearable summertime Phoenix heat. Over the last ten years records have been set in Phoenix for the number of consecutive days with temperatures above 100 degrees. Residents of the Phoenix area and other desert communities will continue to drive demand for housing in Flagstaff for the foreseeable future, causing the second home market to remain strong. Overall, the Flagstaff real estate market has maintained stability and has not experienced the dramatic price fluctuations that have destabilized other comparable markets nationwide over the past 30 years.

The growth boundaries of Flagstaff are defined by the surrounding public lands, which contain a limited and rapidly diminishing supply of privately owned land that can be developed. Only 13.3% of the land in Coconino County privately owned. The remainder is publicly owned by tribal nations (46%), the United States Forest Service and Bureau of Land Management (32%), the State of Arizona (9.5%), and other public entities (6.8%). Because there are very few large parcels of undeveloped land available in the city of Flagstaff, the larger production builders are pulling out of the Flagstaff market and focusing their resources in the larger Phoenix and Tucson markets.

Arizona is one of the fastest growing states in the country. Since the 1950's, Arizona has ranked within the top five nationally in population, employment and personal income growth. Arizona and the Phoenix/Metro markets are expected to lead the U.S. in these demographics in the foreseeable future. For the past 30 years, northern Arizona has experienced a growth rate of 3% to 7%. It is projected that the population of the region will double by the year 2020.

AZNORTH has completed six projects with 12 projects underway and has acquired key parcels of land for future development, including a 160-acre parcel located outside of the city limits in Coconino County. Our strategic plan calls for the company to acquire a significant portion of the limited remaining private, buildable land in the Flagstaff area. **Flagstaff will continue to offer unique opportunities for significant market penetration because of the limited supply of developable land, its proximity to one of the fastest growing metropolitan areas in the country with scorching summertime temperatures, and its desirability as a second home location.**

About Flagstaff:

The largest city in northern Arizona, Flagstaff is located in the high desert at the intersection of Interstates 40 and 17, approximately 120 miles north of Phoenix. Surrounded by one of the largest pine forests on earth, the City of Flagstaff consists of just over 64 square miles nestled at the base of the San Francisco Peaks.

Flagstaff enjoys abundant sunshine, dry weather, and four distinct seasons. At nearly 7,000 feet, Flagstaff is one of the highest elevation cities in the United States and historically it has ranked high on a number of national rankings as an attractive place to live. The city is a year-round mecca for visitors and is near many spectacular scenic sites including Grand Canyon National Park, Sedona and Lake Powell. Flagstaff winters bring an average annual snowfall of 99.5 inches, much to the enjoyment of skiers, ice skaters and snowboarders. As the snow thaws into spring, blooming wildflowers are abundant and fragrant along Flagstaff's many hiking trails.

The city is a governmental, educational, transportation, cultural and commercial center and the county seat for Coconino County, the second largest county in the 48 contiguous states. Government is one of the largest employers. Tourism is also a large employer as the city sees over 5,000,000 visitors a year. In addition, the City is home to Northern Arizona University, one of Arizona's three state universities, and other scientific and high tech research and development industries.

Contact Information:

Tom Brewster, President
AZNORTH Development Inc.
2410 East Route 66
Flagstaff, AZ 86004
(928) 774-6637
Tom@aznorth.com