



USAA Real Estate Company

## News Release

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FOR IMMEDIATE RELEASE

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### **New Class-A Office Development Planned for Tempe**

*(Tempe, Arizona)* Metro Commercial Properties of Tempe, Arizona, in association with USAA Real Estate Company of San Antonio, Texas, are planning the next phase of high-rise office development in Fountainhead Corporate Park in Tempe, Arizona. Current plans call for a 14-story Class-A high-rise office tower totaling 384,300 square feet, which the developers have named Fountainhead Park Summit.

In September 2009, Metro Commercial Properties and USAA Real Estate Company announced the development of two mid-rise office buildings, Fountainhead Office Plaza A&B, within Fountainhead Corporate Park. The 10 and 6-story Class A office buildings are situated along the I-10 Freeway in Tempe, near the 'Broadway Curve'. Fountainhead Office Plaza A&B was completed in the summer of 2011. The entire 439,070 square foot development is leased to The University of Phoenix on a long-term triple net lease.

"The landscape within Fountainhead Corporate Park was dramatically impacted by the scale of the new construction for University of Phoenix. It was a shot in the arm for Fountainhead and we wanted to build upon the value and momentum created by the first two office buildings," said Pat Duncan, Chairman and CEO for USAA Real Estate Company. "Purchasing the adjacent 6-acre site was a logical next step for our development program and partnership with Metro Commercial Properties."

Metro Commercial and USAA have selected Cushman & Wakefield as its exclusive agent to market and pre-lease Fountainhead Park Summit. The team of Mike Beall, Tim Whittlemore, Chris Walker and Kathy Gibbs was selected after an extensive search and interview process of five market-leading office brokerage teams. Cushman and Wakefield will be charged with the assignment of finding a lead office tenant for the planned office project.

"Fountainhead Park Summit, centrally located in the valley at the convergence of major freeway corridors, gives corporate office users a competitive advantage in the attraction of highly skilled and affordable labor from both the East and West valley," said Mike Beall, Executive Director of Cushman and Wakefield. "The fundamental strength of the location in attraction of labor, the unparalleled transportation infrastructure, and the visibility of the site are just a few of the reasons why we expect significant interest from large corporate users in this next phase of Fountainhead Corporate Park."





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Entitlements for the 14-story development were achieved in late 2010, with site plan approvals from the City of Tempe design review commission and amendments to the underlying PAD zoning, making Fountainhead Park Summit one of the few 'shovel ready' sites in Tempe. Davis Design Solutions, LLC provided the architectural design of the building and garage.

“The availability of large blocks of Class-A office space over 100,000 square feet is quickly diminishing. Much of what is currently available is ‘picked-over’, leaving older vintage Class-B office with smaller floor plates, insufficient parking, and inefficient and/or unreliable building systems,” added Tony C. Hepner, Principal and C.F.O. of Metro Commercial Properties. “The efficiency and overall sustainability of a LEED® certified building is a benefit to the corporate real estate and human resource professional. It not only lowers the overall occupancy cost of the real estate, but also serves a public relations benefit for the employer, which is critical in recruiting the best labor talent to the organization.”

Metro Commercial Properties is a regional development and property management enterprise, based in Tempe since 1986. Metro develops and manages both for its own equity account, as well as for public and private institutional capital clients. Its current management portfolio consists of 2.5 million square feet of office and industrial property spread throughout the Phoenix MSA. Metro’s recent development resume includes Class A office projects in Phoenix and Tempe, Arizona (Union Hills Office Plaza; Papago Buttes III), Boise, Idaho, as well as current office projects in The Woodlands, Texas and Columbus, GA. For more information, visit [www.mcpaz.com](http://www.mcpaz.com).

USAA Real Estate Company, with approximately \$12 billion in assets under management, provides co-investment, acquisition, build-to-suit and development services for corporate and institutional investors. The USAA portfolio consists of office, industrial, retail and hotel properties as well as investments in real estate operating companies with annual volume transactions exceeding \$1 billion. USAA Real Estate is a subsidiary of USAA, a leading financial services company, serving military families since 1922. For more information, visit [www.usrealco.com](http://www.usrealco.com).

