

Tucson Office Sales Up while Inventory Increases for 2020



TUCSON, ARIZONA – Inventory of office product for sale increased, with 511,000 square feet of listings added in 2019. Notable sales included the West Coast Capital Partners' acquisition of 510,523-square-foot in the Williams Center for \$47.5 million and Cambric Center for \$20.85 million, purchased from the Colton Family Trust.2019.

RED Comps tracked 118 office sales in 2019 with an aggregate of \$237 million / \$178 average PSF represents the highest level of completions in seven years of data

“Office projects under construction at year-end totaled 176,000-square-feet. Due to slight negative absorption in Q4, Tucson’s 2019 overall office vacancy rate rose .3% to 8.9%. Despite this quarterly anomaly, annual overall net absorption clocked a healthy 460,732-square-feet,” according to Picor ([Q4 2019 Market Trend](#)).

Picor also closed on three office transactions in January as follows:

ABC0 Solar, Inc. purchased 4,768-square-foot of office space located at 2505 N. Alvernon Way in Tucson. The single-tenant, free-standing building was purchased from the Niesen Family for \$323,000 (\$67.74 PSF). Molly Gilbert, Office Specialist with Cushman & Wakefield | PICOR, represented the seller in this transaction.

Craycroft Capital, LLC purchased 21,800-square-foot of office space located at 888 S. Craycroft Rd. in Tucson. The multi-tenant, professional office building was purchased from 888

South Craycroft, LLC for \$450,000 (\$20.64 PSF). Buyer intends to occupy 8,000-square-feet and lease the remainder of building. Max Fisher and Molly Gilbert, with Cushman & Wakefield | PICOR, represented the buyer in this transaction. Bruce Suppes and David Volk with CBRE, Tucson, represented the seller.

302 S. Plumer, LLC purchased a 7,000-square-foot office/warehouse building which will be the new location for Pioneer Pools and Spas. The industrial warehouse property, located at 302 S. Plumer Ave. in Tucson, was purchased from D.H.P., LLC for \$455,000 (\$65 PSF). Paul Hooker, Principal and Industrial Specialist with Cushman & Wakefield | PICOR, handled this transaction.

For additional information, Hooker should be reached at 520.546.2704, Gilbert can be reached at 520.546.2766 and Fisher is at 520.465.9989. Suppes and Volk can be contacted at 520.323.5100.

To learn more, see **RED Comp #7525, #7475 and #7486.**

Court approves Pier 1 bankruptcy sale



Pier 1 Imports (NYSE:[PIR](#)) [won](#) court approval for a speedy sale process a day after the home furnishings chain plunged into bankruptcy.

Judge Kevin Huennekens also signed off on a request that allows Pier 1 to obtain \$256M in bankruptcy financing from its term-loan lenders to enable the retailer to keep operating pending a possible sale of the business.

The company also has secured \$256 million in debtor-in-possession financing to provide sufficient liquidity until the sales process has been completed.

In addition, Pier 1 Imports is in discussion with potential buyers which could result in the company selecting a stalking horse bidder for the upcoming court-supervised auction. Qualified bids are expected to be submitted by March 23 and the auction to take place on March 31. Court confirmation is currently expected by April 23.

The company has filed for bankruptcy protection to quickly implement the [recently announced](#) almost 50% reduction of its store base which includes pulling out of Canada entirely.

Looking at the [most recent 10-Q](#), equityholders are unlikely to receive any form of recovery as sales proceeds will likely be insufficient to cover creditor claims, particularly after giving effect to the \$256 million in debtor-in-possession financing now sitting at the top of the capital structure.

Court documents indicate seven Arizona store closures.

On Feb. 29, Pier 1 will close the following stores:

- Happy Valley Towne Center – 2501 W. Happy Valley Pkwy., Phoenix
- Village Fair North shopping center near Paradise Valley Mall – 12657 N. Tatum Blvd., Phoenix

On March 31, these stores are set to close:

- Chandler Fiesta shopping center – 2600 W. Chandler Blvd., Chandler
- Lake Pleasant Towne Center – 10092 W. Happy Valley Road,

Peoria

- Camelback Colonnade – 1743 E. Camelback Road, Phoenix
- Ahwatukee Foothills Towne Center – 4717 E. Ray Road, Phoenix
- 5919 E. Broadway Blvd., Tucson

Lincoln Property Co. Adds Afton Trail as Director of Property Management



Afton Trail,
Director of
Property
Management,
LPC Desert
West

Assigned to direct and grow LPC's 10 million s.f. portfolio within the Desert West region

PHOENIX, Arizona – [Lincoln Property Company](#) (LPC) has hired industry veteran Afton Trail as Director of Property

Management for the Desert West region. In her new role, Trail directs LPC's Desert West portfolio of almost 10 million square feet of landmark office, industrial and retail space. She is also charged with identifying and pursuing opportunities to grow the LPC property management brand in the Desert West region states of Arizona, Nevada, Utah and New Mexico.

"Our Desert West property management portfolio is very diverse. It requires someone with equally strong industry knowledge to support our tenants and customers with the high-quality solutions they expect from Lincoln," said Lincoln Property Company Executive Vice President David Krumwiede. "Afton has stepped into this role very successfully. We welcome her to the team and look forward to all she will do to continue our mission of excellence and help grow our property management footprint in the Desert West markets."

Trail's career spans almost 40 years in commercial real estate, including past roles in property management, asset management, leasing, acquisitions, dispositions and talent management.

At LPC, she directs a team of more than 18 property management experts who provide service for a host of landmark projects. Among these are The Grand at Papago Park Center, 3131/3133 Camelback, Promenade Corporate Center, Luhrs City Center, Paradise Village Office Park and the ADOA and ADEQ buildings in downtown Phoenix, as well as 5 million square feet of industrial product.

This team is also part of the national LPC property management group, which at more than 403 million square feet represents one of the nation's largest commercial real estate property management portfolios.

"I'm thrilled to join such a prestigious team and to represent such notable projects," said Trail. "The fact that our

portfolio is made up of not only Lincoln-owned assets but also a significant book of third-party management assignments gives us a lot of opportunity to solve complex business needs and drive new business as we continue to uphold Lincoln's focus on quality and customer service."

Prior to joining LPC Trail held executive leadership positions with CBRE and Cushman and Wakefield, where she provided oversight to property management teams across multiple markets and directed client care and development programs across all lines of business.

She earned a Bachelor's degree in Political Science from Arizona State University and holds a CPM designation from the Institute of Real Estate Management (IREM). She is a current member and past board member of the Building Owners and Managers Association (BOMA) and a member of NAIOP, Arizona Commercial Real Estate Women (AZCREW) and the International Council of Shopping Centers (ICSC).