

Jeanette Bennett, Editor of BusinessQ: What have been the most significant additions to Utah County's commercial real estate scene in the past couple of years?

Jon Anderson, Commerce CRG: The Meadows development in American Fork has been a drastic change for the northern area of the county. It has been amazingly successful — a lot of space has filled up quickly.

Brandon Fugal, Coldwell Banker: Cabela's entering this market has also drawn more activity. North Utah County has experienced an explosive population growth. Even though the residential market is in a bit of a slump, we still have a very robust economy.

Jarrod Hunt, CB Richard Ellis: The revitalization of downtown Provo is starting to take shape.

Dan Ross, ArrowStar Construction: Thanksgiving Point is still a big draw. It's part of the commercial influx that consumers demand.

Tom Heal, Sperry Van Ness: The growth of Utah Valley State College has been phenomenal, and I think it is currently one of our community's greatest assets. Over the next 10 years it's projected to grow to more than 40,000 students and be the largest university in the state.

Ross, ArrowStar Construction: The revitalization of University Mall has also made a significant impact. As the only regional shopping center in Utah County, the mall has brought national brand-name tenants.

Bennett, BusinessQ: Is it true that commercial real estate goes through cycles? And if so, what phase of the cycle are we in?

Anderson, Commerce CRG: We are currently in an up cycle. Our market is a tertiary market, which means we are more subject to cycles than first-tier or second-tier markets. But we are

definitely in an "up" market right now. In fact, I'm amazed we all found time to come to this meeting. There are deals happening out there. It's a busy market and a great time for the industry.

Fugal, Coldwell Banker: Lease rates are on the rise, and vacancy has been at an all-time low for many sections of both the office and industrial markets. We see companies continue to expand and grow, and we're also looking forward to several new companies entering this market. Utah Valley State College reaching university status, coupled with the large student population in the valley, has really caught the attention of national investors and developers. Up until now Utah County has been a very localized market. I've seen more national attention focused on Utah County than ever before.

Anderson, Commerce CRG: Because commercial cycles generally follow residential cycles, some people have worried the commercial market will tank in 2008. I don't think that's the case. We will have some slippage, but overall I see steady, maintained growth.

Dan Johnson, Family First Credit Union: Part of the problem involved with market cycles is perception. Perception becomes reality. If people think we are going into a slump, then we in the commercial industry have to make sure we keep ourselves out there showing them it's not true.

Heal, Sperry Van Ness: There isn't anything that seems to affect the market as suddenly as uncertainty, and that can happen overnight.

Fugal, Coldwell Banker: What I find most exciting about Utah County is the diversified recovery we are seeing

after the major slump we had from 2001 to 2004 as a result of a correction in the tech market. Our recovery has been characterized not only by technology but by financial services and manufacturing. This diversified, deep recovery — which spans all sectors — will give Utah County staying power for years to come.

Hunt, CB Richard Ellis: One of the major space occupiers here in the valley is



BRUCE TUCKER
Prudential CRES
Commercial Real Estate

With some of my best assignments, I've really become part of the business. I'm part of their team. I'm looking into their business and helping them strategically plan their growth. I like being invited once in a while to their management meetings where we can put a strategy together. Those are the ones you treasure. Those are the ones you fish with. Those are the fun ones.

the dietary and nutritional supplement business. They don't receive as much press as they deserve given the amount of employment they offer, the space they occupy and the subsequent revenue that flows through all of our doors. They encompass many high quality, high growth companies that are firmly in the black.

Bruce Tucker, Prudential CRES Commercial Real Estate: It's like Utah County almost has its legs. We were kind of a Neanderthal market, but we're starting to stand up and see what's out there.

Bennett, BusinessQ: Let's go that direction for a minute. What's unique about commercial real estate in Utah County as opposed to Salt Lake City or other parts of the region. Bruce says we used to be Neanderthals (laughing), but what are we now?

Johnson, Family First Credit Union: One unique aspect in Utah County that will