

increase over the next couple of years is mixed-use developments. Traditionally, we've built a single building for an office and another for a restaurant. Shops at Riverwoods came in, though, and pioneered the multiple-use. I see a trend in mixed-use buildings hitting the area.

of these interchange projects being master planned, a lot of the momentum is going to be centered along I-15.

Hunt, CB Richard Ellis: And don't forget, you've got 2,000 acres of undeveloped land just on the west side of I-15 where Geneva was located. That's a huge hole in our valley that needs to come into its own, and it will be an exciting development.


years and could build my own equity?"

Bennett, BusinessQ: So when does it make sense for a business to buy office space instead of continuing to lease?

Hunt, CB Richard Ellis: Typically, my answer to that question is, "Where else can you put your capital?" If you can deploy your capital as a business owner into growing your business, acquiring competitors or building market share inventory, and if that cost of capital is greater or can perform better than what a real estate asset can perform, you should maintain leasing. Many billion-dollar companies prefer to lease because they have a better place to put their cash than into real estate.

Anderson, Commerce CRG: Leasing keeps them flexible and adaptable, so their business can grow or shrink. And that leads to another key factor — predictability. If a company is growing so rapidly that they know they will outgrow a building in three years, it might not make sense for them to purchase. But if a company is fairly stable, such as a dental practice, and will be around for 10 or 15 years, it makes a lot of sense for them to purchase.

Hunt, CB Richard Ellis: Buying also makes sense when a company needs a lot of build-out, like a dental office. They may spend \$100 a square foot on improvements inside that space. That's something a landlord will be reluctant to allow unless the company is willing to sign a 10- or 15-year lease.



Brandon Fugal
Coldwell Banker

The Mountain View Corridor and mass transit are going to be real hot buttons along with the Vineyard master planning. I predict that the Vineyard project will catch national attention because of its scope. It will be one of the most strategic assemblages of property in the Mountain West. It will be a true transit-oriented development. The whole intermobile hub for the valley will be centered in that project.

Tucker, Prudential CRES Commercial Real Estate: One interesting feature of commercial real estate in Utah County is the large impact I-15 has. It will be interesting to see our long corridors of commercial real estate develop. Will it contract into more of a central business district, or will it stay long?

Anderson, Commerce CRG: I predict it will stay long, and the growth will happen along the freeway. Many times developers or users wonder why land prices are so much higher here than they are in Salt Lake. Land value is created by the infrastructure proximity and access. We have a narrower valley than Salt Lake does, and that really impacts the prices.

Fugal, Coldwell Banker: I'm seeing most executives looking at future facilities gravitating toward the freeway and accessibility. Major office centers like Canyon Park Technology Center, for example, are on the east side of the valley, some distance from the freeway arterial access points. I think now, with major construction under way and all

oriented development. The whole intermobile hub for the valley will be centered in that project.

Anderson, Commerce CRG: Back to another aspect of your question, it would be wrong to have a discussion about the unique characteristics of Utah County without mentioning condominiums. I've done real estate deals all over the world, particularly in many cities in the United States, and I have never seen a market as oriented toward ownership as Utah County. We have office condominiums of all sizes here.

Bennett, BusinessQ: How do you explain our preference for condominiums?

Anderson, Commerce CRG: I think it's the thrifty nature of our clientele. The attitude is, "Why would I pay rent if I know I'm going to be in a space for a certain number of



Jeanette Bennett
BusinessQ

Now let's look forward. What do you see as the Utah County hot spots in the next five to 10 years?