

## Commentary from Cohen Asset Management

With \$3.5 billion in capital investment planned over the next 24 months, Phoenix is one of the fastest growing bioscience markets in the country. The planned investment will result in the development of 4.4 million square feet of biomedical real estate and create 7,000 professional science jobs, continuing the significant job growth Phoenix has seen in recent years.

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### **A Major Bioscience Hub Is Emerging in Phoenix**

By Kelsie Maree Borland | March 12, 2019



*A rendering of what Mayo Clinic's Phoenix campus will look like after a \$648 million expansion project is completed in 2023.*

PHOENIX, AZ—The bioscience market is taking off in Phoenix. The market has more bioscience and healthcare facility product under construction than any other market in the US, according to research from CBRE. In the next 24 months, there is more than \$3.5 billion in capital investment, which equates to 4.4 million square feet of construction activity, planned in the market. This market growth comes on the heels of significant job, population and economic growth in the Greater Phoenix market.

“We’re fortunate in Phoenix to host and grow a very modern healthcare infrastructure and a variety of research institutions making significant bioscience and healthcare breakthroughs,” Christine Mackay, director of Phoenix community and economic development at the City of Phoenix, tells GlobeSt.com. “We have scientists and researchers making amazing discoveries in genomic, molecular medicine and curing cancer. Phoenix offers bioscience and biotechnology businesses an affordable, diverse and collaborative environment. The entire spectrum of research, from discovery to development, from growth to delivery; it’s all part of the Phoenix bioscience and healthcare community.”

The most significant projects include a \$600 million extension of the Mayo Clinic Phoenix campus, which will double in size; a \$900 million teaching hospital by the Maricopa Integrated Healthcare System; and 1 million square foot Wexford Bioscience and Technology campus, which recently broke ground. In addition, there is also a \$150 million Creighton University Medical School, which is set to break ground in May.

These projects will also have a significant economic impact in the market through the creation of jobs. “Phoenix’s portfolio of bioscience and healthcare companies is growing every day,” says Mackay. “For example, Mayo Clinic is doubling the size of its North Phoenix campus and adding 2,000 new jobs over the next five years. On March 7, Wexford Science+Technology broke ground on the newest building on the 30-acre Downtown Phoenix Biomedical Campus. This 200,000-square-foot building is designed to for maximum collaboration and an ability to increase opportunities for successful research and commercialization.”

The current construction pipeline of 4.4 million square feet is more than the bio and medical construction activity built in the State of Texas in 2018, making Phoenix one of the fastest growing bio science markets in the country. In addition, this activity will create 7,000 professional science jobs, not including the clinical positions. “Bioscience and healthcare properties are seeing significant Phoenix investments. On the Phoenix Biomedical Campus in Downtown Phoenix, the 30 acres and more than 9,000 jobs serve as strong anchor institutions,” adds Mackay. “This is creating a dynamic workforce cluster in other employment corridors in the city. Phoenix has seen the most investment and interest in its urban core with education, research institutions and hospitals. Additionally, Mayo Clinic is doubling its size and partnering with Arizona State University for the future Health Solutions Campus. This major investment has piqued interest in the Desert Ridge area in north Phoenix.”

Source: [GlobeSt.com](http://GlobeSt.com)

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