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El Paso, TX, is a booming market due to the military base, Ft. Bliss. The base is keeping many people employed and El Paso has a record low unemployment rate (6.5%). Albuquerque, NM, has a number of construction projects finishing up and many businesses in the southwest are pursuing government contract work. There is a new billion-dollar solar generating station project in Albuquerque that is scheduled to break ground the end of 2010. Hobbs, NM, in the southwest corner of the state, is building a uranium enrichment facility. The state of Arizona is faced with a 9.1% unemployment rate and other than a new skyscraper and jail in downtown Phoenix, much of the city and surrounding suburbs are overbuilt, both in commercial and residential. Arizona recently lost 210,000 jobs and surpassed Florida in the number of foreclosures. There are approximately 80,000 foreclosed, vacant houses in Arizona. Only Las Vegas has a higher foreclosure rate. It's projected that Arizona's market won't recover until 2014 when additional people move to the state and fill the current inventory of foreclosed homes. Most Arizona STAFDA distributors report business being down 50-60% and expect 2010 to either be the same or worse. Las Vegas has nearly \$30 billion worth of work that's been halted and/or delayed indefinitely due to the economy. The Echelon project, which is located on the site of the old Stardust Hotel, is not moving forward. The owners/developers of the

new Las Vegas Fountainbleu Hotel are in bankruptcy and the uncompleted hotel recently sold for a fraction of its cost. We're looking at the Vegas market to improve in 2014, as well. Bridge and roadwork continues to improve in the southwest with talk of more solar energy in Arizona and a windmill farm in Nevada.