



MACK REAL ESTATE GROUP BREAKS GROUND ON HIGHLY ANTICIPATED MACK INNOVATION PARK SCOTTSDALE INDUSTRIAL PROJECT

Construction Starts on First Phase of 1.2 Million SF Project as Bank OZK and PGIM Real Estate Provide \$63mm Debt Package for First Two Buildings on 124-Acre Site

FOR IMMEDIATE RELEASE

June 21, 2024 – Phoenix – Mack Real Estate Group ([MREG](#)) announced that the initial phase of Mack Innovation Park Scottsdale is fully financed and breaking ground imminently. Affiliates of MREG have secured approximately \$63 million of debt financing for construction of the two-building, 305,400 first phase of development on a well-located 124-acre infill site in North Scottsdale with capacity for 1.2 million square feet across 11 buildings and excellent access to Pima and Bell roads and the Loop 101 freeway. Bank OZK provided \$43.0 million of first mortgage construction debt, and PGIM Real Estate provided \$19.78 million of construction mezzanine financing. JLL Capital Markets arranged the financing.

“The Scottsdale industrial market continues to see limited new supply and ongoing rent growth. Given these positive dynamics, we believe Mack Innovation Park Scottsdale will be well received,” said Richard Mack, CEO of MREG. “We’re excited to break ground on our first phase with the support of construction debt from Bank OZK and PGIM Real Estate. As a firm we remain bullish on Phoenix, with a large footprint of active projects across the Phoenix MSA.”

“Bank OZK is pleased to provide construction financing for this large-scale industrial development that will serve as a convenient, flexible and accessible distribution hub,” said Jason Choulochas, Managing Director of Originations at Bank OZK. “The Phoenix MSA continues to be an attractive market given its strong economic fundamentals.”

“PGIM Real Estate is proud to highlight our firm’s active and growing presence in the structured debt market through this deal,” said Daniel Kattan, executive director at PGIM Real Estate, who led the financing on the firm’s behalf. “As demand for industrial real estate remains robust, we are pleased to have a strong partner in Mack Real Estate and provide financing for the development of these institutional quality assets.”

The first phase of Mack Innovation Park Scottsdale consists of two state-of-the-art industrial buildings totaling 305,400 square feet. The buildings are to feature 32’ clear heights, 53 dock-high doors, 20 grade-level doors, and 516 parking stalls. The JLL Capital Markets team of Chris Peck, Brad Miner, Jason Carlos, Tyler Peck and Jarrod Howard arranged the financing package. The project team for Mack Innovation Park Scottsdale consists of Willmeng as general contractor; Butler Design Group as architect; and Withey Morris Baugh PLC as land use counsel. Leasing agents are Mitch Stravitz and Rusty Kennedy of CBRE, James Cohn of Stream Realty, and Randy Shell of Shell Commercial.

MREG is a real estate firm with a national development and investment footprint, including a large and rapidly growing presence in Phoenix. In addition to recently [prevailing at auction](#) for the right to develop

a mix of uses across the 2,300-acre site in the North Valley surrounding Taiwan Semiconductor Manufacturing Corporation's campus, MREG is currently building a total of over 4 million square feet of industrial space at Mack Innovation Park Deer Valley and Mack Innovation Park Scottsdale and owns an approximately 800,000 square foot warehouse property in Goodyear. Additionally, MREG's multifamily portfolio in Phoenix consists of more than 900 units owned or under development, and the firm also owns a 198-unit community in Flagstaff.

About Mack Real Estate Group

Mack Real Estate Group, LLC (MREG) is an institutional real estate investment firm with roots in several Mack family real estate businesses, dating back to the 1960s. Today, MREG's equity, credit and property management businesses employ over 250 people with offices across the US including New York, Seattle, Phoenix, Miami and Raleigh. MREG's equity business specializes in the acquisition, development and management of multifamily and industrial properties located in gateway and high-growth markets. Its recently created portfolio, excluding legacy Mack family assets, represents approximately 9,100 multifamily units and 6 million square feet of industrial space, including development and pre-development pipeline. The firm's affiliated credit business, Mack Real Estate Credit Strategies, L.P. (MRECS), has originated, co-originated, or acquired more than \$20 billion of loans since 2015 across multiple lending strategies. An MRECS affiliate manages one of the largest publicly traded commercial mortgage REITs, Claros Mortgage Trust, Inc. (NYSE: CMTG). For more information, please visit mackregroup.com.

About Bank OZK

Bank OZK (Nasdaq: OZK), through its Real Estate Specialties Group (RESG), provides financing on commercial real estate projects throughout the nation. RESG is considered a preeminent, market-leading construction lender focused on senior secured financing for a variety of property types including mixed use, multifamily housing, condominiums, office, hospitality, life sciences, industrial and retail. During the five years ended March 31, 2024, RESG originated approximately \$41.8 billion in new loans. For more information, visit www.ozk.com.

About PGIM Real Estate

With \$206 billion in gross assets under management and administration,¹ PGIM Real Estate provides investors and borrowers access to a range of real estate equity, real estate debt, agriculture, and impact solutions across the risk-return spectrum. PGIM Real Estate is a business of PGIM, the global asset management business of Prudential Financial, Inc. (NYSE: PRU). PGIM Real Estate's risk management approach, execution capabilities and industry insights are backed by a 50-year legacy of investing in commercial real estate, a 140-year history of real estate financing,² and the local experience of professionals in 32 cities globally. Through its investment, financing, asset management and talent management approach, PGIM Real Estate engages in practices that strive to ignite positive environmental and social impact, while pursuing activities that seek to strengthen communities around the world. For more information visit pgimrealestate.com.

¹ As of March 31, 2024. Net AUM is \$132 billion and AUA is \$47 billion.

² Includes legacy lending through PGIM's parent company, PFI.

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