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Rivulon Takes Shape

Creating a critical mass of commercial space for growing Gilbert, Arizona, is Rivulon, a more than 3.5 million-square-foot development that features retail, office and hotel space.

— **Randall Shearin**

The town of Gilbert, Arizona is one of the fastest-growing communities in the nation. And with a population of more than 240,000 residents, Gilbert is also the most populous incorporated town in the United States. Surprisingly, however, Gilbert lacks the critical mass of commercial space one might expect in one of the largest and most popular communities in the greater Phoenix metropolitan area.

That is about to change, however, as the first components of Rivulon are nearing completion. A 250-acre mixed-use development located at the corner of Gilbert Road and AZ 202, Rivulon is a \$750 million business district that will feature approximately 3 million square feet of Class A office space, 500,000 square feet of retail, and a 250-key hotel.

Rivulon's owner and developer, Columbus-based Nationwide Realty Investors recently announced that it has nearly all of the space committed for the project's first multi-tenant retail building. The 17,000-square-foot space is on schedule to open in Spring 2016 with a combination of restaurant and retail uses. In addition, health and wellness leader Isagenix International, which previously announced plans to relocate its world headquarters



When complete, Rivulon will feature more than 3 million square feet of office space, 500,000 square feet of retail and hospitality.

to a 150,000-square-foot single-tenant building at Rivulon, is on track to take occupancy in early 2016. The three-story Isagenix Building will be completed this month. Isagenix will be joining the already opened LA Fitness—which opened in a new 45,000-square-foot space in April 2015.

“We have great momentum,” said Nationwide Realty Investors President and COO Brian J. Ellis. “The market recognizes that there is no other project like Rivulon in the East Valley and we are taking full advantage of that opportunity with both

our development and leasing efforts.”

Kevin Adams, chief executive office of Isagenix, says that “Isagenix is extremely excited about the future new home for our worldwide headquarters. Gilbert is a wonderful, thriving community within the greater Phoenix area and is a great location for us to further our mission. Additionally, as our company has grown significantly over the past few years, this new facility will ensure adequate space to meet our current growth needs while helping us to plan for our future.”



Rivulon is one of a number of large scale mixed-use developments created by Columbus, Ohio-based Nationwide Realty Investors.

Adams added, “Our build-out is not only strategic, it’s creative, with an eye toward providing amenities that attract and retain best-in-class employees. The property is ‘tour friendly’ so that guests—whether they are prospective customers or business associates—can quickly capture who Isagenix is and what Isagenix does.”

Rivulon’s impact on Gilbert is expected to be dramatic. The project’s office component alone will nearly double Gilbert 3.3 million square feet of existing office space, and will introduce the first inventory of Class A office to the market.

Gilbert Town Manager Patrick Banger says that the project has the potential to fundamentally alter the economic dynamics of the town. “At 72 square miles, Gilbert is a relatively compact town,” he explains. “The space we’ve set aside for commercial activity is fairly modest, so civic leaders here are very conscious of the fact that we have to make the most of it—to make sure that the decisions we make today set us up for long-term sustainability in the future. Rivulon is an ideal fit for us, and is a critical piece of that strategy.”

Other components of the project’s first phase include a 4-story, 125,000-square-foot Class A speculative office building located east of the Isagenix building on AZ 202. That building is under construction and will be completed this year. Two additional two-story, 60,000-square-foot office buildings located on Rivulon Blvd near the corner of Gilbert Rd and AZ 202

are in pre-development. And, Nationwide Realty Investors expects to make announcements regarding restaurant, retail and other out-parcel tenants along Rivulon Boulevard in the coming months.

Infrastructure in and around the Rivulon site has been substantially upgraded. A signature roundabout and grand entry feature are currently under construction, and the project has spurred significant roadway and utilities upgrades, the addition of new pedestrian walkways, and dramatic landscaping improvements. A notable Southwestern aesthetic comes through in the landscaping, with rocks and native plantings featured prominently. An eye-catching water feature recirculates water to contribute to an “oasis” feel without wasting a precious natural resource.

Accessibility and Visibility have always been a big part of the Rivulon value proposition, and they remain key selling points. The project is located just eight miles southeast of metro Phoenix and 12 miles from Phoenix Sky Harbor International Airport, and prime visibility along AZ 202 grants exceptional sightlines ideal for high-impact signage. The project includes multiple entry points and easy access off of the 202.

While Rivulon is an ambitious undertaking, projects of this size and complexity are nothing new for Nationwide Realty Investors, the real estate development affiliate of Nationwide. Nationwide Realty Investors specializes in large, complex mixed-use projects such as the Arena District in Columbus,

Ohio and the Gainey Ranch Corporate Center in Scottsdale, Arizona. Directly and through joint ventures, Nationwide Realty Investors controls more than \$1.6 billion in real estate investments across the country.

Banger pointed out that Gilbert viewed Nationwide Realty Investors as a great fit for a number of important reasons. “The advantage of working with Nationwide is that they are very conscious of their brand,” he says. “Because they own and maintain their projects, they are in it for the long haul—they are literally and figuratively invested in not just the project, but also the community.”

Gilbert Mayor John Lewis expects Rivulon to have a “significant economic and social impact in Gilbert.” He says that “With 63,000 commuters in our 90,000 residents in the workforce, the economic impact of creating more jobs and generating more tax revenues here in the community is enormous.”



LA Fitness opened a new 45,000-square-foot location at Rivulon in April 2015.

Ellis agrees. He says that Nationwide Realty Investors will continue to pursue a “strategic, opportunistic and market-driven” approach to Rivulon, bringing new components of this master-planned destination online in a manner that builds on a solid and sustainable economic foundation and positions the project for sustainable long-term success. While Rivulon and Nationwide Realty Investors might be “in it for the long haul”, it seems clear that momentum is building quickly, and that a project is already making a significant positive impact on both the Town of Gilbert and the entire East Valley. **SCB**