

Multifamily Developer ZOM Living Enters Phoenix Market

The developer plans to build 1,600 units in Phoenix and Scottsdale, a total of \$500 million.

By **Kelsi Maree Borland** | February 16, 2021 at 02:00 PM

Multifamily developer **ZOM Living** has entered the Phoenix market. The firm plans to invest \$500 million in the market and build more than 1,600 units in North Phoenix, Scottsdale and the Biltmore District.

“We are highly attracted to areas that have strong employment and population growth and low regulation. Phoenix really fits all of those characteristics,” **Greg West**, CEO of ZOM Living, tells GlobeSt.com. “Statistically, it is one of the fastest growing markets in the country with a lot of employment, some of which is growing organically but a lot that is coming to the market from higher regulatory markets. In that regard, Phoenix is really benefitting from its proximity to California. We think that the formula that they have is really strong and is going to be a sustained good story for a long time.”

ZOM acquired three parcels to develop its 1,600 units. One in Desert Ridge/North Phoenix, which will accommodate 600 units; another in Downtown Scottsdale, where ZOM will build nearly 750 units; and a parcel in Biltmore District for the development of 300 units.

While the midst of a pandemic seems like an unusual time to expand into a new market, Phoenix is among the hottest cities in the country, thanks to strong population and job growth. “Emerging out of the COVID environment certainly makes us re-think our priorities, but we are seeing that the least affected areas are the places that have low levels of government regulation and tax,” **Jason Haun** of ZOM Living, tells GlobeSt.com. “We are seeing people with businesses gravitating to those areas in greater numbers than before the pandemic. If anything, the pandemic has made us more confident in Arizona.”

The pandemic has only accelerated these trends—and attracted more investment capital. It has also affirmed ZOM’s bullishness on the market. “COVID really accelerated trends that we thought were important before the pandemic,” adds West. “We were already building places for people to work on our properties, including conference rooms and private spaces where people could work. Those were popular before COVID and I think they are going to be even more popular now. A decade ago, we stopped doing work niches in apartments, but I think that we are gravitating toward that.”

ZOM is planting roots in Phoenix. It is setting up an office, and plans to grow a significant development pipeline. “This has given us an opportunity to enter the market in scale and to build our office in Phoenix. We would hope to have a sustained presence in the Phoenix market where we are starting approximately 1,000 units every year on a sustained basis,” says Haun, who adds that there is plenty of demand to accommodate that pipeline of new units.

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