



Estrella owner buys another 2,700 acres for development

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Newland Communities, the San Diego-based owner of Estrella in Goodyear, has purchased about 2,700 more acres in the master-planned development for \$62 million.

This is the third purchase Newland Communities has made since taking over the land in the Sonoran Desert Valley in 2005, according to Greg Bielli, president of the developer's mountain region.

At that time, Newland Communities bought 3,750 acres of the 20,000-acre housing development for \$250 million from Sun MP, which is partly controlled by Art Moreno, owner of the Los Angeles Angels of Anaheim baseball team.

The deal included five one-year options to purchase more land.

Newland Communities now owns about 10,000 acres in Estrella, about 5,000 of which are developed, and plans to exercise its remaining options, according to Bielli.

"There will be three more (land purchases) over the next three years," he said, noting that development of the recently purchased land is "a number of years" off.

"There are some other general plan amendments we will be working on with the city of Goodyear in the coming years," Bielli said

Despite the Valley's softening housing market, there is nothing overly ambitious about Newland Communities' most recent land purchase, said RL Brown, publisher of *Phoenix Housing Market Letter*.

"They made a strong investment to start with," he said. "They are adding to that investment, which suggests they are listening to people who feel like just about every economist that I fellowship with that says the population growth is not going to quit in this town until or unless we either choke or run out of water."

Bielli said Newland Communities is "looking longer term beyond today's market conditions."

"With the continued positive immigration into our state and substantial job growth, the market corrections will occur and we will be in the position to offer vibrant communities with a diverse housing product," he said.

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