

# GRAYT NEWS



Gray Development Group • 2555 East Camelback Road, Suite #1050, Phoenix, Arizona 85016 • (602) 954-0109

## State of the Company

BY BRUCE GRAY

2008 will be an astonishing year for GDG. In addition to the seven projects now under construction or about to break ground, totaling 1,900 units, we're pushing hard to start five more communities over the next six months totaling another 2,650 units - and we have eight more projects on the drawing boards! No wonder we're so busy and continue to add staff!

As projects start and others finish this year, we're likely to have 11 projects with over 4,000 units under construction at our peak in the third quarter. Roughly one-third of all apartments under construction in Metro Phoenix later this year will be ours. That's a staggering number. I have no way to confirm this for sure, but in all likelihood that's more than any other company at any one time in Arizona history. It's a very

exciting time for the company, to say the least.

All the hard work and challenges of the last few years are starting to pay off in a huge way. I want to thank every one of you from the bottom of my heart for this unprecedented accomplishment and all that you've contributed to this heroic effort.

*Thank you!*

This will also be a year of significant organizational changes. My day-to-day role will soon change to that of Chairman of the Board, which will free me up to focus on expansion in California, business development and creative projects. As of March 1, Paul Fannin will take on my prior title of CEO (Chief Executive Officer) and accept responsibility for managing all day-to-day operations of the company. Paul is in-charge now and my role will be more behind the scenes and out-

of-state, although I'll continue to spend nearly as much time in the Phoenix office as ever.

Most of Paul's prior responsibilities will now be split between Drew Schmidt, Vice President of Finance, who started with us mid-2007 after 11 years with DMB, and Brian Kearney, who will assume Paul's prior title of COO (Chief Operating Officer). Prior to joining us in October, Brian was the President and CEO of the Downtown Phoenix Partnership for nine years. We're extremely fortunate to have both Drew and Brian on our team and look forward to the wealth of talent and expertise they bring to Gray Development Group.

Please help me in congratulating both Paul and Brian on their promotions.

## New Grayt Face: SUSAN SMITH

"I grew up in Alabama and attended the University of Alabama. I have been married to an artist/computer geek for 25 years and have done EVERYTHING: Banking, Sales, Long-Haul truck driver, Executive Assistant to CEOs and Presidents of tech companies in Silicon Valley. After owning and operating several businesses, we sold everything and traveled in an RV for a couple of years. We found out that we were too young to retire and that Arizona was home, so we came back and started over. While working temp assignments I met Brian Kearney, which wonderfully led me to GDG.

"Here at GDG, I assist Joe Lauer, VP of Construction, in the oversight of the construction of upcoming and ongoing projects. My only construction experience was selling steel corrugated drainage pipe 25 years ago, so I am learning the construction business as I go and taking on more as I understand the needs of the department.

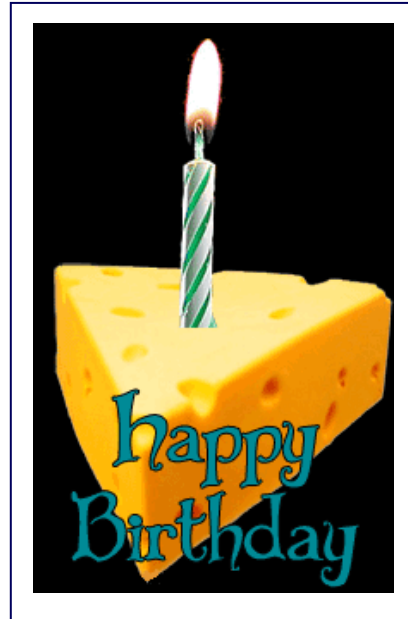
"In my free time I design, make and sell jewelry. See it at [www.sjsdesigns.biz](http://www.sjsdesigns.biz). I am also on a quest to lose 100 lbs. this year and I am chronicling my journey at [www.watchmeshrink100.com](http://www.watchmeshrink100.com). My personal philosophy is that life must be productive AND fun. I try to bring laughter and peace to the lives that I touch. I do my best to live in a way that attracts the blessing of life and IT WORKS!"



*"I have traveled all over America and could live anywhere, but I would always choose Arizona."*

## February Birthdays

Feb. 3	Robert Hallahan (Indigo Palms)
Feb. 3	Christina Pantier (Corporate)
Feb. 3	Charles Smith (Biltmore Club)
Feb. 5	Brian Kearney (Corporate)
Feb. 5	Kandice Kraayenbrink (Corporate)
Feb. 5	Jessica Ryan (Areté)
Feb. 6	Steve Parady (Corporate)
Feb. 11	Dawn Liko (GRIGIO)
Feb. 25	Mindy Dukerich (Corporate)
Feb. 26	Richard Hernandez (GRIGIO)



*Age is something that doesn't matter, unless you are a cheese.*

*Did you know the average lifespan of a saguaro is estimated at 150 to 175 years?*

## February Anniversaries

02/02/04	Rick Bjorgo (Corporate)
02/16/04	Jacqueline Day (GRIGIO)
02/16/04	Sace Rydberg (GRIGIO)
02/05/07	Brendon Cross (Corporate)
02/12/07	Bryan Wolcik (Corporate)
02/19/07	Susan Silverman (GRIGIO)
02/26/07	Kristina Metz (Corporate)
02/26/07	Michelle Vail (Biltmore Club)

## Recent Team Additions

Gray Development Group extends a warm welcome to these associates, who have joined the team since November:

11/12/07	Lucas Ruiz (Member Service Specialist)
11/26/07	Tish Baca (Asst. Community Manager)
11/26/07	Mike Cheney (Leasing Consultant)
11/26/07	Rick Hernandez (Project Superintendent)
12/03/07	Mike Shaw (Project Manager)
12/10/07	Allison Brooks (Adm. Asst./Project Coord.)
12/17/07	Tom Baldonado (Project Superintendent)
12/17/07	John Dudek (General Superintendent)
12/17/07	Alecia Reilly (Leasing Consultant)
12/17/07	Susan Smith (Adm. Asst./Construction)
12/31/07	Rose Lindsey (Project Superintendent)
01/07/08	Doug Guilkey (Project Superintendent)
01/07/08	Tom Hemingway (Architectural Proj. Arch.)
01/07/08	Dawn Liko (Community Specialist)
01/07/08	Jose Morales (Porter)
01/28/08	Michael Hansen (Pre-Construction Mgr.)
01/28/08	Armando Hurtado (Service Technician)



## PROPERTY MANAGEMENT UPDATE

### January's Community Stats

#### Highest Occupancy Percent

BILTMORE CLUB (92%)

#### Highest Percent of Units Ready for Move-In

ARETE (62%)

#### Lowest Delinquency

PAVILIONS ON CENTRAL (2%)

### Training Tip o' the Month

BY CLAUDIA GIANNETTA

#### Closing Tip #1 to Help Get more "YES" Answers:

Don't always judge success by the "yes" answers you get. Measure your attempts. Set a goal for the number of times you'll ASK for the business today. Celebrate your successes!



## Message from the Management Team

Welcome to the very first Property Management installment. We hope you will find this page is interesting and well worth your time to read.

Our intention is to provide you with a concise, to-the-point communication that will give you important information on what is happening in property management. In this edition, we will touch on some of the important initiatives recently accomplished or currently underway in this department.

✓ Property Management Operations Manual should

be completed within the next few weeks.

✓ High Performance Leasing will be introduced this month.

✓ New Maintenance Training will be introduced in March.

Some of our key property management goals and resolutions for 2008 include:

#### CONTINUED EDUCATION

We start with continued education because it shapes and influences all of our goals and resolutions. When we continue to learn more about the many complex facets of managing communities, we

### Star of the Month

BY MARY MARIN

Winner of the very first Star of the Month Award is GRIGIO Tempe Town Lake's **James Richter**.

James joined the company in August of 2006 as Maître d'. Recently promoted to Member Services Specialist, James went "above and beyond" during the month of December, when he initiated a Holiday Sale in our MUSE Boutique.

James created a new wine display and brought in three new holiday wines and a holiday beer. To introduce the new selections to all of our Members, James also hosted a "Toast to the Holidays" Wine Tasting Event, which was a great success.

Additionally, James spent a full day creating many new displays for our MUSE Boutique, working with other GRIGIO



*James Richter, "Star of the Month" for January, 2008*

team members to establish sale prices, create sales tent cards, e-blasts, and flyers promoting sales in MUSE during the holidays.

James's initiative has been, and continues to be, greatly appreciated by all! He is very deserving of the Star of the Month award, and we're very proud of him.

forms and more.

#### CONTINUE PREVENTIVE MAINTENANCE MEASURES

As always, we plan to use measures that will prolong the economic life of our rental properties. This outlines another 2008 resolution: "Continue preventive maintenance measures to avoid or reduce repair costs in the future."

We hope you enjoy reading each month about the good work being accomplished by our dynamic property management associates. We thank all of them for their hard work.

immediately improve our services. It is important to take the time to attend on-line workshops or seminars on such topics as Fair Housing, mold issues, advertising, new marketing techniques and technology. Increasing our knowledge, implementing new tools, and improving our customer skills help reduce risk and liability.

#### UPDATE TECHNOLOGY AND COMMUNICATION

Technology has a great impact on our business with Yardi programs, web sites, Internet advertising, email communication, computerized filing, online

## 2008 Payroll Schedule

Period	Begins	Ends	Timesheets Due to Payroll	Pay Date
1	12/17/07	12/30/07	12/31/07	01/04/08
2	12/31/07	01/13/08	01/14/08	01/18/08
3	01/14/08	01/27/08	01/28/08	02/01/08
4	01/28/08	02/10/08	02/11/08	02/15/08
5	02/11/08	02/24/08	02/25/08	02/29/08
6	02/25/08	03/09/08	03/10/08	03/14/08
7	03/10/08	03/23/08	03/24/08	03/28/08
8	03/24/08	04/06/08	04/07/08	04/11/08
9	04/07/08	04/20/08	04/21/08	04/25/08
10	04/21/08	05/04/08	05/05/08	05/09/08
11	05/05/08	05/18/08	05/19/08	05/23/08
12	05/19/08	06/01/08	06/02/08	06/06/08
13	06/02/08	06/15/08	06/16/08	06/20/08
14	06/16/08	06/29/08	06/30/08	07/04/08
15	06/30/08	07/13/08	07/14/08	07/18/08
16	07/14/08	07/27/08	07/28/08	08/01/08
17	07/28/08	08/10/08	08/11/08	08/15/08
18	08/11/08	08/24/08	08/25/08	08/29/08
19	08/25/08	09/07/08	09/08/08	09/12/08
20	09/08/08	09/21/08	09/22/08	09/26/08
21	09/22/08	10/05/08	10/06/08	10/10/08
22	10/06/08	10/19/08	10/20/08	10/24/08
23	10/20/08	11/02/08	11/03/08	11/07/08
24	11/03/08	11/16/08	11/17/08	11/21/08
25	11/17/08	11/30/08	12/01/08	12/05/08
26	12/01/08	12/14/08	12/15/08	12/19/08

## It Pays to Stay with Gray

The Employee Anniversary Program has recently been improved as outlined below.

All anniversary bonuses (gifts) will be paid in cash and distributed at the Corporate Lunch during the month of the employee's anniversary. If an employee is unable to attend the Corporate Lunch to accept their anniversary card (which will contain cash), the card will be given to the employee's supervisor for hand delivery to the recipient.

ANNIVERSARY YEAR - REWARD		
1 - \$25	6 - \$550	11 - \$1,050
2 - \$50	7 - \$600	12 - \$1,100
3 - \$100	8 - \$650	13 - \$1,150
4 - \$200	9 - \$700	14 - \$1,200
5 - \$500	10 - \$1,000	15 - \$1,500

In addition to receiving a cash reward, those associates celebrating 5, 10 and 15 year anniversaries will receive a special gift, still to be determined. So you see, it really DOES pay to stay.

## Spring Picnic Planned

BY DEBBIE STONE

Plan to come hungry and ready for fun: the date for the GDG Family Picnic is set! Please mark your calendars for Saturday, April 19.



The place is McCormick-Stillman Railroad Park in Scottsdale, at Indian Bend and Scottsdale Road. All members of your immediate family are welcome! More details will be published in future newsletters but for now, be sure to mark your calendar.

And hey: if you have any friends or neighbors who can do face-painting, please have them contact me by phone at (602) 474-9058 or by e-mail at [dstone@graydevelopment.com](mailto:dstone@graydevelopment.com).

See you at the park!



## Seasoned Associate: DEBBIE STONE

Debbie Stone is Operations Administrative Assistant and has been with GDG since June 2007. She grew up in Indianapolis, Indiana and relocated to Phoenix in 1982.

She is proud of her 3 children: Ryan (24) graduated from ASU cum laude in 2006 and currently works as a personal trainer at Lifetime Fitness; Eric (23) is married and he builds homes on the Rim; and Kelsey (20) works for an East Valley law firm as a legal assistant trainee. She also has an adorable grandson, Blake (6).

Prior to coming to Gray, Debbie worked in homebuilding for 10 years with the last 3 spent as a warranty manager and back-end superintendent sprinkled with risk management. Prior to homebuilding, she was a paralegal for 19 years.

Introduced to Guitar Hero III in November 2007, Debbie admits she's now "addicted" to it. She also makes crafts to relax. She has two Great Danes (Chaos & Karma) 15 months old weighing in at 110 & 95 lbs. respectively, who are constantly keeping her busy. Debbie enjoys the water, particularly a warm ocean; Rocky Point is one of her favorite places to visit.

Her taste in music is eclectic from Classical to Rap, her favorite being anything with a great beat you can dance to.



*In addition to assisting Paul Fannin, Drew Schmidt and Brian Kearney, Debbie Stone coordinates all IT requests for the company. She is also the facilities coordinator, and our Chief Party Planner.*

*She wears many hats, in other words!*

# GRAYT EVENTS

**COMMUNITY INVOLVEMENT ROCKS!** On Thursday, March 27, 2008, in lieu of our regular Corporate Lunch, we will celebrate our First Quarter 2008 Community Involvement Project by hosting a "Picnic in the Park" for the residents of the Arizona State Veterans' Home. The Gray Team will travel to the Veterans' Home at 4141 N. Third Street and escort our special guests to Steele Indian School Park for some great food, horseshoes, socialization and good clean fun. As the date approaches, the Community Action Team will provide more specifics. Please save the date and plan ahead to meet some real American Heroes. In the meantime, if you want to volunteer your special skills or just want to learn more about the Veterans' Home, please contact Julie Elliott at (602) 954-4739, or at Julie@graydevelopment.com.



Larry and Peg Russell's daughter, Christine, gave birth to a beautiful little girl on Saturday morning, January 19, 2008.

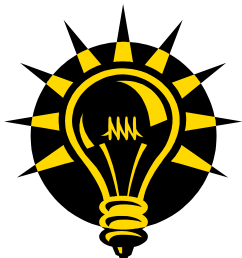
Name: Olivia Ann Healy  
 Weight at birth: 7 lbs., 14 oz.  
 Length: 20 inches

Mom and baby are well. Grandma and Grandpa are beaming.

Congrats to Member Account Specialist Daniel T. Wiedell, who graduated from Crestcom on January 23, 2008. At right, Dan is pictured with Liz Schloss, manager of Barossa at Paradise Ridge, who serves as a Crestcom facilitator.



As a follow-up to the happy announcements in January's newsletter, pictured far left is Jayden James Conto, born January 15th. Picture near left is Brady Thomas Eakins, born November 13th. Handsome boys, both!



## CONTEST ANNOUNCEMENT

*Got a brilliant idea for re-naming this newsletter? Please send your submissions to Nan at nan@graydevelopment.com. Contest deadline is 5:00 p.m. Friday, February 29.*