

Countrywide's Arizona Gold Rush: 2,000 New Jobs Phoenix-Bound

by **JACK LYNE**, *Site Selection* Executive Editor of Interactive Publishing



Countrywide will build its two 175,000-sq.-ft. (15,750-sq.-m.) facilities in Chandler (pictured left) in Chandler Commons Office Park (pictured right).

CHANDLER, Ariz. —Fast-growing **Countrywide Financial Corporation** (www.countrywide.com), accelerating its own sort of rewind of the California Gold Rush, has decided to add 2,000-plus new jobs in **Chandler, Ariz.** (www.chandleraz.org).

Based in Calabasas, Calif., the financial services firm first came to that Arizona city in the **Phoenix** metro early last year. Since then, the company has rapidly expanded its local work force to some 500 employees.

Countrywide was ranked as the seventh fastest-growing U.S. company early this month by *Fortune* magazine. For the past two and a half years, though, it has exclusively focused its aggressive expansion efforts outside the Golden State, where the company has been headquartered since 1985.

"We are particularly excited about the opportunity to expand our presence in Chandler," said Patrick Benton, the company's executive vice president of administration. "As Countrywide has searched for new

office locations in business-friendly areas outside of California, we have placed a good deal of focus on Arizona. Our experience with the city of Chandler and Lowe Enterprises (the firm that will build Countrywide's new space in Chandler) during this time has been particularly productive."

Benton didn't discuss Countrywide's rationale for expanding outside of California during the Chandler expansion's



With Intel's Chandler operations (pictured) employing almost 10,000 workers, the city is nicknamed "the Oasis of the Silicon Desert." Countrywide, though, represents part of the Chandler's successful effort to target financial services firms.

announcement.

A company release about the Arizona project, however, offered more details about a policy that the company had articulated several

times in the past. Countrywide, the release explained, "has focused the expansion of its central office facilities on other states - particularly Arizona and Texas - citing California's unfriendly and high-cost business climate as a major reason for looking elsewhere."

Florida, Nevada, Texas Sites Competed for Countrywide Expansion

The project marks a big win for Chandler, a city some 25 miles (40 kilometers) southeast of downtown Phoenix that's probably best known as the home of almost 10,000 jobs for chip king **Intel**. **Motorola**, with some 3,500 local workers, is Chandler's second-largest employer, as technology-based companies account for more than 75 percent of the city's manufacturing jobs. Not for nothing has Chandler been nicknamed "the Oasis of the Silicon Desert."

But that oasis, local leaders decided four years ago, needed something more as well: diversification of the local business community to insulate the economy from high tech's well-documented boom-and-bust cycles. Chandler business recruiters in 2000 focused the efforts on financial services firms.

"Countrywide has been working with [the city's] economic development staff over the past two years, and it is exciting to see their corporate expansion plans focus on Chandler," said Mayor Boyd W. Dunn. "I want to thank our partners at the Greater Phoenix Economic Council (www.gpec.org) and the Arizona Department of Commerce (www.azcommerce.com) for working with us on this great project. This is a big win for our community - 2,500 new high-quality jobs for our residents."

In point of fact, it's Countrywide's *total* Chandler employment that will grow to some 2,500 employees, Benton explained. With the company's rapid expansion pace in its some 15 months of operations in southern Arizona, Countrywide has already created almost 500 of those total jobs.

Chandler was competing with locations in Las Vegas and Plano, Texas (a Dallas suburb), as well as several unnamed cities in Florida, according to officials with the City of Chandler Office of Economic Development.

Some of the competing sites offered cash incentives, they said. Chandler, however, landed the project without offering any subsidies whatsoever.

Gov. Janet Napolitano (D) hailed Countrywide's decision as "further proof of Arizona's competitive business climate, [and it] benefits the entire state. . . . We know that they will continue to find Arizona a great place to do business."

Expansion Will Triple Local Space

Countrywide's Grand Canyon State business operations have certainly gotten bigger fast since the company first arrived in Arizona in April of 2003.

It was then that Countrywide purchased its first local structure, an 80,000-sq.-ft. (7,200-sq.-m.) existing facility that had been built by Los Angeles-based Lowe Enterprises Real Estate Group (www.loweenterprises.com). By July of this year, with its first building filled to its capacity of some 480 employees, the company decided to buy a second existing Lowe Enterprises facility, a 75,000-sq.-ft. (6,750-



Countrywide's expansion without incentives from the Grand Canyon State represents "further proof of Arizona's competitive business climate," said Gov. Janet Napolitano (pictured).

sq.-m.) building - a structure that will house about 450 of the new jobs added in the Chandler expansion.

Moreover, the company will build enough new space to triple its existing local square footage. Countrywide will build two new facilities, each one spanning 175,000 sq. ft. (15,750 sq. m.) on a 26-acre (10.4 -hectare) tract that's part of Chandler Commons Office Park. The purchase of the property is now in escrow.

By the end of next year, the company will increase its local employment to about 1,800 workers, according to Benton. Countrywide's newest Chandler buildings will house workers managing and servicing mortgage originations.

The new jobs will pay about US\$40,000 a year, Benton explained. Positions in mortgage processing will require at least a high school degree and an associate's degree, he said.



Chandler's sizable high-tech community includes Avnet North American, which has a 404,000-sq.-ft. (36,360-sq.-m.) logistics & solutions center (pictured) in the city that functions as both a chip programming service facility, as well as the company's flagship warehouse.

Chandler's growth seems to have been skyrocketing along in its own parallel universe with Countrywide's. Then a largely agrarian area, the city had some 30,000 residents in 1980. Today, though, Chandler has a population of almost 200,000 and ranks as Arizona's sixth-largest city. Chandler's financial-services recruiting successes also include **Wells Fargo**, which is increasing its local work force to 2,000 employees by the end this of year and plans over the long term to have as many as 7,000 local jobs.

Countrywide was founded in 1969 by two New York City natives. Drawn by California's rich market, the company relocated to the West Coast almost two decades ago. Countrywide's business lines also include insurance lines focused on auto, disability, life and reinsurance, as well as operations focused on banking and mortgage-backed securities. The company also has a joint venture with **Barclays** focused on UK mortgage servicing.

Population Explosion: Chandler Has Grown by Almost 700 Percent in 25 Years

Chandler looks like very ripe turf for finding workers who fit that bill. With a median age of 31, Chandler residents are well educated, with almost three-fourths having at least some college education.

Countrywide's rapid growth in southern Arizona is no anomaly. The largest independent residential mortgage lending firm in the U.S., the company during its 2003 fiscal year increased its work force to 8,800 employees, a 17.2-percent increase. 2003 sales of \$13 billion marked a 125-percent upsurge, while last year's net income of about \$2.4 billion marked an increase of almost 182 percent.

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