

# The \$5 Billion Mile

## How Frisco Is Leading the North Texas Development Boom

BY BRANDI SMITH

No matter the sector, no matter the area, no matter the price tag, North Texas' commercial real estate market is booming in a way we haven't seen in a generation. The combination of nearly exponential population growth and near-record job numbers is pushing development all around the Dallas-Fort Worth area.

The region's so hot, it grabbed the attention of PricewaterhouseCoopers and ULI, which put Dallas-Fort Worth at the top of the "Top 20 Markets to Watch" in their 2016 Emerging Trends in Real Estate report.

"This year I think there were over 2,000 interviews from executives in the real estate industry as to their investor preferences around geography, product type and the various characteristics that cause them to rank certain markets," said PwC partner Byron Carlock. "As you saw, Dallas was ranked number one this year for several of its attractive attributes."

Carlock pointed to the area's development activity, expected yields to investors, general economic strength evidenced by occupancies and job growth, as well as

some of the softer elements associated with cultural, educational and continued infrastructure improvement, such as expansion of the light rail system.

The report itself said "the market continues to benefit from strong investor interest, plenty of available capital, and a strong local development community." However, this boom isn't isolated to Dallas city limits.

"I think you have to look at North Texas regionalism, knowing that Dallas is the cultural, educational and kind of foundational nexus, but there is so much happening throughout north Texas on a regional basis," Carlock said.

**Those four projects alone total a whopping \$5.4 billion, stretched along a mere 5,280 feet in Frisco.**

There are myriad examples: A 50,000 square foot Roger Williams AutoMall is under construction in Weatherford, which bills itself as "The Western Gateway Business Centre of the DFW Metroplex." Ross Perot Jr.'s company, Hillwood Communities is working on a \$500 million, 400-acre master-planned community in Celina. A four-story

apartment building, named The Mark at Midtown Park, is going up in North Dallas, courtesy of Commodore Development LLC. Metlife and Panattoni partnered on an investment in Lancaster: a 250-acre industrial park. Mohr Capital Partners has started construction on a 430,000 SF industrial project in Grand Prairie, Texas.

However, the boom is illustrated no more clearly than in Frisco, a northern suburb of Dallas. Fifteen years ago, the city was a bedroom community of roughly 33,000. It's since grown by more than 300 percent, now topping 150,000.

Not only is the community home to thousands of families, it is also home to a kind of development boom you'd be hard pressed to find anywhere else in the United States.

"City leaders 20 years ago had a vision of what they wanted to become and they started making investments to get there," said Dave Quinn, vice president of Frisco Economic Development Corp. "They understood that if we can attract the talent, meaning the families and the people to live here, someday, corporations are going to wake up and say, 'Oh my gosh. Why am I having people drive an hour here? Why not locate in the heart of all this where the people are living?' That's what we're seeing today, that visions come to its own."



For proof, Quinn offered up Frisco’s \$5 Billion Mile.

“[It] is actually four different mixed-use projects,” he explained. “As far as we know, there’s not another area in the country where you have that type of diverse investment happening in such a small area.”

The four projects, which are located along the Dallas North Tollway between Warren Parkway and Lebanon Road, are as different in their scope as they are in their price tags. The flagship is The Star at Frisco, a 91-acre mixed-use development spearheaded by the Dallas Cowboys.

“It’s their corporate world headquarters,” said Quinn. “With their practice and training facility, cheerleaders, their whole organization will be based here in Frisco.”

The \$1 billion complex will also feature two hotels, a 12,000-seat event center, as well as a unique opportunity for Frisco students. While the Cowboys manage 71 of the acres on this \$1 billion project, the rest is a public-private partnership between the team, the City of Frisco and the Frisco Independent School District. Quinn said, to his knowledge, this is the first such partnership between an NFL team and a school district.

“This provides us with a needed third stadium at a quality and caliber that we could not have built or maintained on our own with the same amount of investment,” said Dr. Jeremy Lyon, Frisco ISD’s superintendent. “In addition to a place to play, perform and meet, the partnership provides many outstanding educational opportunities for our students.”

The second project is the \$1.7 billion Frisco Station, developed by Rudman Partnership, Hillwood Properties and VanTrust Real Estate. It will cover 242 acres and provide 6 million square feet of

office space, 990,000 square feet of medical office, 200,000 square feet of retail and 75,000 square feet of restaurants.

Project No. 3 comes in the form of The Gate, a 41-acre development that will include two 10-story luxury condo buildings, a boutique hotel, restaurant space and four office buildings. It’s being developed by Invest Group Overseas, a Dubai-based group making its first investment in the United States.

“They were actually the first to announce here in Frisco,” Quinn said. “Funny story is that, they were here first before the Cowboys and their land has obviously skyrocketed once the other projects started being announced. Now, they are the baby of the bunch at \$700 million.”



Finally, the biggest development: the \$2 billion Wade Park. Thomas Land Development has grand plans for its 175 acres, which include bringing in Whole Foods, iPic Theatre, Pinstripes, and Hotel Zaza. The project will also feature another hotel: the Langham Hotel Tower. Set to open in early 2018, the 35-story tower will include 25 floors of luxury hotel rooms, 25,000 square feet of meeting space, a rooftop pool deck and 10 floors of residential homes.

Those four projects alone total a whopping \$5.4 billion, stretched along a mere 5,280 feet in Frisco. Quinn pointed out that the investment value breaks down to nearly a million dollars per linear foot.

Though Frisco’s growth—both in population and development—has been rapid, city leaders said this is the goal toward which they’ve been working for many years.

“Frisco’s first master plan was adopted in 1982 and has been continually updated since then, thus the growth has been in the planning for decades,” said George Purefoy, Frisco’s city

430,188 SF AVAILABLE



120  
161

CROSSING

4000 MATTHEW ROAD | GRAND PRAIRIE, TEXAS | 75052

PROPERTY DETAILS

Total Available SF: 430,188 SF

Divisible to: ~ 100,000 SF

Office: BTS

Structural Clear Height: 32'

Power: BTS

Dock High Doors: 82 - 9' x 10'

Oversize Ramp Door: 4 - 12' x 14'

Dock Levelers: BTS

Trailer Positions: 41 (expandable)

Bay Size: 52' wide x 50' deep

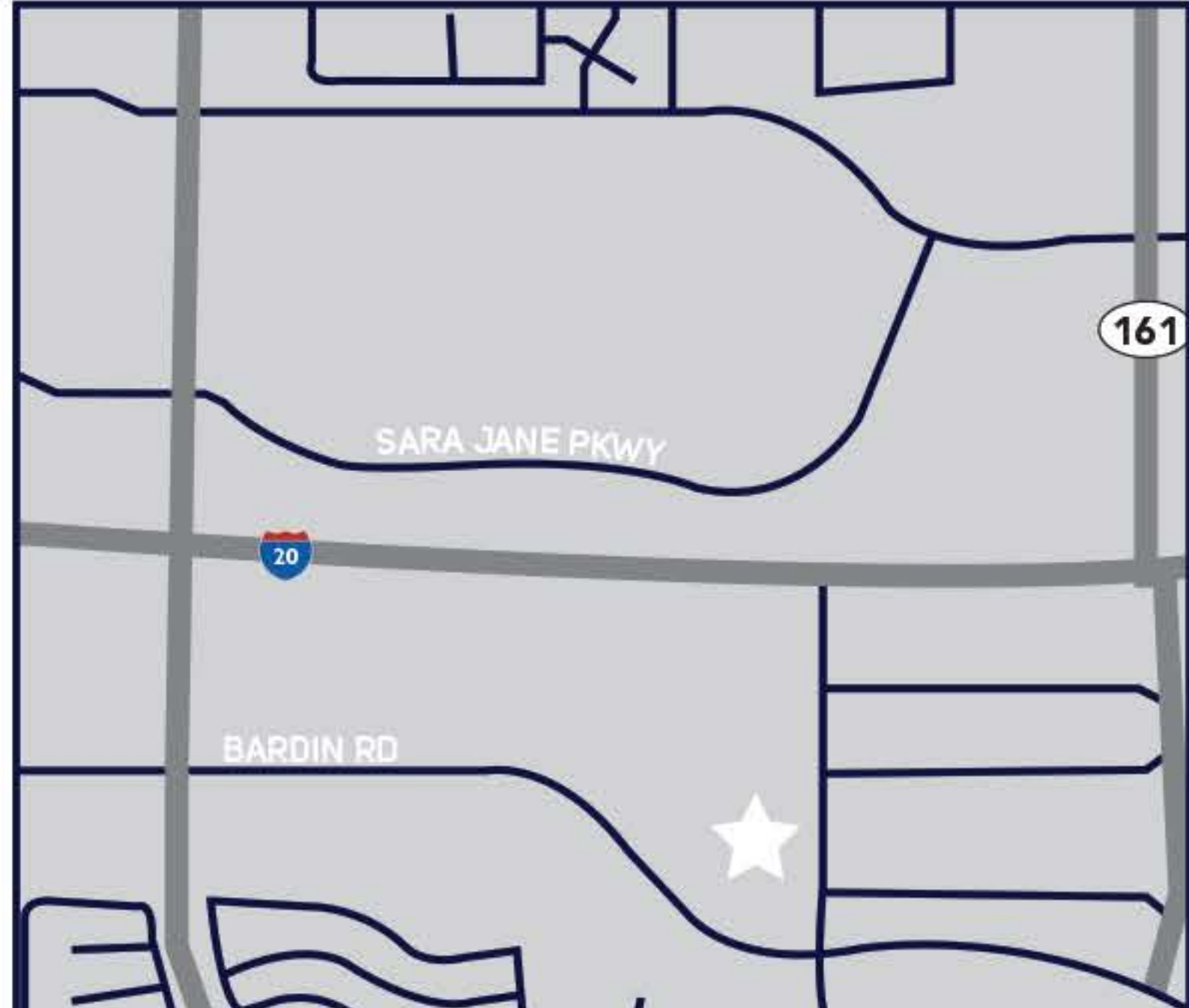
Building Dimensions: 860' wide x 500' deep

Truck Court Depth: 130 - 140' deep concrete truck apron


Car Parking Spaces: 176 (expandable)

Configuration: Cross Dock

Sprinkler: ESFR



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● 2014 - 2015 “New Openings!”



26K sf Weatherford Physical Rehab Hospital



Imperial Construction Corp HQ - 33K sf



KEGI O'Neal Regional Distribution Center -80K sf/40 acre WH BP



El Fenix

“The Western Gateway Business Centre of the DFW Metroplex”

● “Coming” in 2015 - 2016



74K sf “Film Alley Weatherford” M-B-G



QT 7K sf TC



50K sf Roger Williams CDJR Auto Mall



Power Service Products WH/Processing Facility - 103,000 sf



ALDI Anchored SC/ RaceTrac

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Credit: scribblemaps.com

From Top:  
North Texas boom areas.  
The Mark in North Dallas,  
Commodore Development LLC.  
An industrial park in Lancaster,  
MetLife and Panattoni.



Credit: themarkdallas.com



Credit: us.jll.com

manager. “Furthermore, the city has been successful in implementing these plans.”

Part of that plan in the beginning included building Frisco as a bedroom community, as a way to way to draw corporations.

“When you can attract a skilled work force to live here, people are starting to look and say, ‘Well, instead of moving and trying to lure my folks to come live by me, why don't I just locate in a location where they are already living?’” Quinn said. “Our demographics were very favorable for the type of investment that's being made in our area.”

The Frisco Independent School District played a huge role in helping bring families north of Dallas.

“In Frisco’s case, the Frisco Independent School District and the city working together for our citizens has proven to be one of the key factors in our success,” said Purefoy. “The small school model adopted by the school district has made Frisco a preferred location.”

As the district has growth, so has the city, sharing the benefits through Tax Increment Financing. Frisco’s TIF Zone No. 1, started in 1997, was a partnership between the City of Frisco, Collin County, Frisco ISD and Collin County Community College District. It helped build the Frisco Superdome, the Frisco Sports Complex, Dr. Pepper Ballpark, Dr. Pepper StarCenter and Pizza Hut Park.

“The District’s involvement allows us to participate in public-private projects with the City of Frisco that create world-class opportunities for our students, while saving taxpayer dollars and stimulating economic growth and development,” said Frisco ISD’s Dr. Lyons.

Quinn said, once the first domino fell in the form of Toyota’s relocation to Frisco, the rest followed suit.

“When you have someone like Toyota make the decision to move to North Dallas, obviously others look around and say, ‘Why did they do that?’ They start to follow that move because they know Toyota wouldn't have done it if it wasn't a great location and if there wasn't some importance to do in that,” said Quinn. “That's what we're seeing on a corporate side. Each time we have a

corporate announcement, it makes it a little easier for the next corporate person to come in and make a decision to move to North Texas.”

Both Purefoy and Quinn credit some of Frisco’s success to the Texas business environment.

“If you want to do business on the east or west coast, you can do that from Dallas, Texas and it's really easy,” explained Quinn. “You're no more than three hours from either coast. You work on Eastern timezone and Pacific timezone. For us, it's very easy to do business.”

Frisco stands as just one example of how, with a little planning and foresight, communities are able to exploit the attractive qualities of North Texas and convert them into local benefits. There will certainly be many more examples in the years to come. ●