

Equus Lake Sub-Market Overview

09/01/20

Everman comprises a significant portion of the Equus Lake Sub Market (ELSM). This year, the Tarrant Appraisal District's notices of appraised market values for property in Everman have **increased by 18% overall**, which was the highest rate of increase in all of Tarrant County; **raw land values in Everman have advanced at a much higher rate**. Clearly this is a function of market demand, driven by area job and housing growth, as well as perceptions of many in the real estate development community.

More particularly, especially in the ELSM, there is a well-known and **critical shortage of workforce housing, an extreme increase in the amount of industrial development, and a rapidly growing number of good job availability**. The ELSM now has a total of more than 2800 acres of industrial properties, making it home to one of the largest business park hubs in North Texas.

Job Growth in the ELSM:

- **Existing Carter Industrial Park + Adjacent Industrial Properties:**
 - Comprises approximately 1500 acres and a solid job base.
 - The existing Carter Industrial Park area is very well established and their industrial properties are in high demand (very little vacancy or uncommitted properties).
- **The New Carter Park East (A Huge Carter Industrial Park Expansion):**
 - Crow Holdings Capital, Clarion Partners, Rob Riner Companies, and Stream Realty Partners comprise the Carter Park East team that has recently announced 7 million s.f. of planned industrial construction on 556 acres.
 - Substantial construction has already begun.
- **Everman Trade Center:**
 - Recently completed construction of 457,745 s.f. (4 buildings on 30 acres).
- **The New Majestic – South Fort Worth**
 - 320-acre master planned business park to be developed in 3 phases.
 - A total of 3,000 new jobs is projected upon the completion of 6 million s.f. of new construction.
 - Construction of the first state of the art 287,000 s.f. warehouse is now complete, and is fully leased.
 - Approximately 2 million new square feet are now under construction, including the 678,000 s.f. Ball manufacturing facility.

- **Hillwood (Petrus) Industrial Property:**
 - Hillwood is currently marketing its future industrial park as it expects new industrial growth to shift from North Fort Worth to South Fort Worth.
 - Three significant announcements of industrial tenants are expected in early 2021.
 - Total land area of existing and future industrial development is about 272 acres.
- **TCRG's Future Business Park:**
 - Approximately 94 acres are still in the design phase.
- **The Hemphill Redevelopment/Medical District Expansion ("HRMD"):**
 - Future HRDM boundaries are expected to move south toward I.H. 20 (within about a 10 minute drive from the Equus Lake Property).
 - HRMD is being spurred by the extreme medical demand created by Fort Worth's rapid population growth.
 - Within 10 years the Hospital District needs to double its service delivery to keep pace with crucial medical demand.
 - Presently, the HRDM employs about 46,000 people, most of whom need workforce housing with short travel times to hospitals and clinics in order to meet medical emergencies.
 - Over the next 10 years, approximately 40,000 new jobs will likely be created by the nearby HRMD/Hospital District expansion.

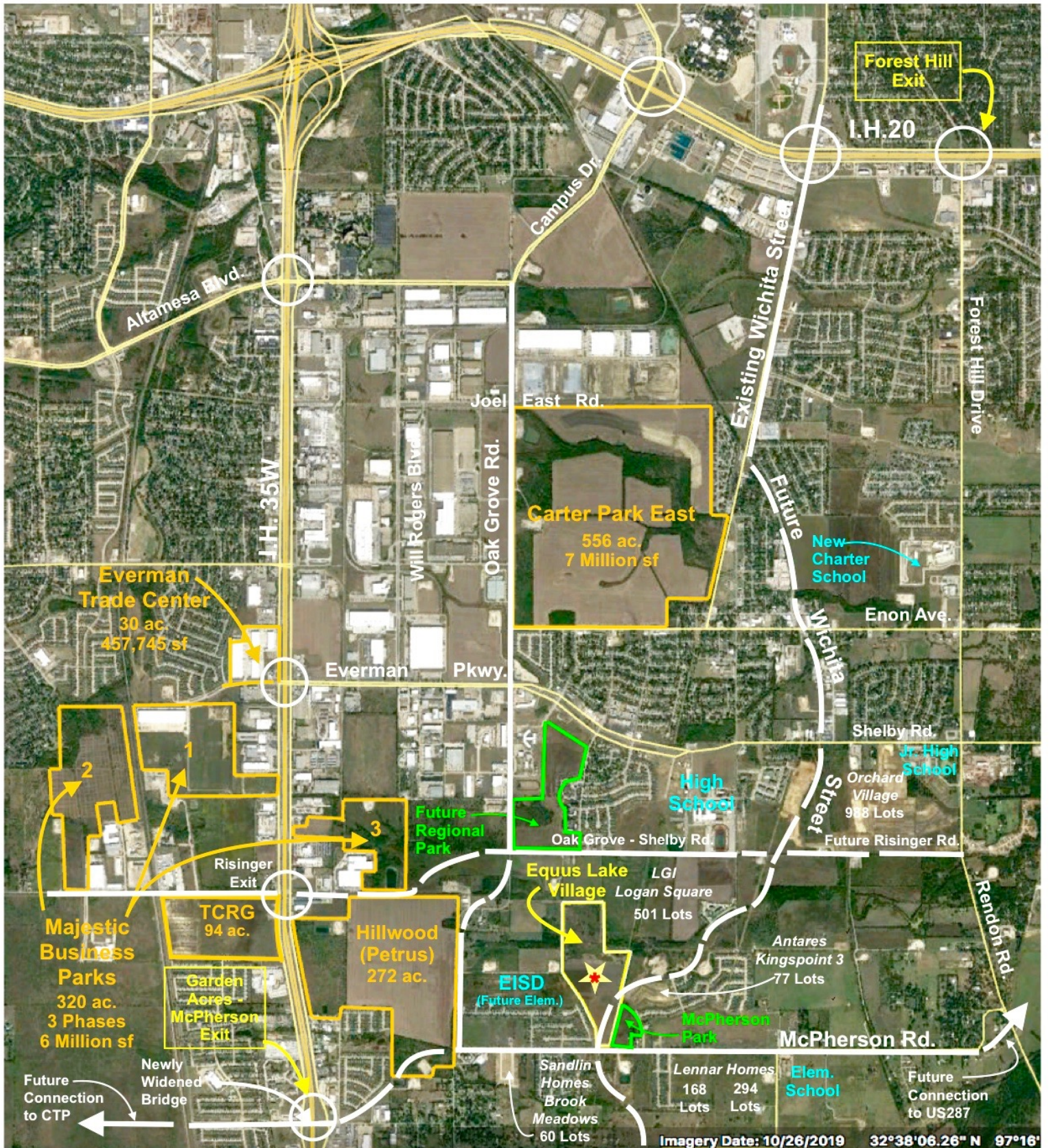
Housing Demand in the ELSM:

- **Nearby Growth in Jobs Creates Huge Demand for Workforce Housing:**
 - As more jobs described above come on line, and single family construction costs increase, **the existing workforce housing shortage will become critical.**
 - The ELSM is the only area with sufficient proximity and reasonably priced vacant land area to meet the crucial housing demand created by the required HRMD/Hospital District expansion, as well as the expansion of the nearby major employment center and planned development of nearby business parks.
- **Multi-family is in Limited supply and Absorption Rates Are Robust:**
 - Within one mile of Equus Lake Village, there are only 532 apartments in four complexes, all with very high occupancy rates. Though there has been significant growth in single-family activity, new apartment construction appears to be lagging; **starter homes are becoming unaffordable for much of the growing workforce.**

- There are approximately 324 multifamily units that have been constructed to modern standards on two sites within one mile or less of the Equus Lake Property and have very low vacancy rates:
 - Stallion Pointe is a two-year-old 228-unit tax credit project that was to be built in three phases; however, the units, including the 29 market rate units, leased up so quickly that they ended up building the 228 units in a single phase.
 - Four Seasons at Clear Creek is an 11-year-old, 96-unit tax credit project that has maintained a nearly “no vacancy” rate of occupancy.
- Next to Stallion Pointe, a new 204-unit complex known as Stallion Ridge is now under construction.
- Also within one mile or less of Equus Lake Village, there are two market rate complexes that are C class complexes, with one complex being 50 years old and the other nearly 40 years old.
- The closest vacant multifamily land to Equus Lake Village that is for sale is a 12-acre tract, zoned “C”, medium density (24 units/ac). The tract is about 1,100 feet east of Equus Lake Village and adjoins the Four Seasons at Clear Creek tax credit apartment complex. The current asking price is \$2,331,331 or \$4.46 per s.f.
- **Recent Demand for Single Family Is Very Strong.**
 - Over the last 18 to 24 months, within 1 mile or less of the Equus Lake Property, approximately 2,088 single family lots have been platted.
 - Development has begun for 578 platted lots adjoining the Equus Lake Property. Antares has recently developed 77 lots in Kingspoint 3, and LGI has started development of 501 lots in Logan Square. Both developers have provided street stubs into the Equus Lake Property. Kingspoint expects to begin building homes in the next 30 days.
 - Sandlin Homes has recently built 7 model homes in the 60-lot Brook Meadows addition, which were quickly sold along with all of the 60 lots. Several additional new homes are now under construction.
 - Lennar Homes has recently entered into lot takedown schedules for building approximately 460 new homes.
 - Legend Homes has acquired approximately 1/3 of the planned 988 lots known as Orchard Village.

All of the foregoing information contained in this Equus Lake Sub-Market Overview are approximations that reflect Equus Lake LLC's latest understandings and research, and should be independently verified.

Submarket Activity Map



Existing Carter Industrial Park



New Carter Park East

CLARION PARTNERS, CROW HOLDINGS CAPITAL AND ROB RINER COMPANIES ACQUIRE 556 ACRES FOR INDUSTRIAL PARK IN FORT WORTH

July 8, 2020 Fort Worth



Clarion Partners and Crow Holdings Capital (CHC), in partnership with Rob Riner Companies, are pleased to announce that they have acquired 556 acres in South Fort Worth to develop a state-of-the-art industrial and logistics park totaling approximately seven million square feet. The master-planned park, named Cater Park East, will be developed in multiple phases, including speculative and built-to-suit construction, in addition to critical road infrastructure.

"Across the country, we continue to experience resilient demand for industrial space, particularly in high-growth Dallas-Fort Worth," said Matt Colter, Managing Director of Industrial at CHC, who will

partner with Rob Riner Companies as primary developers. "This is a long-term focus for us and an incredible opportunity to partner with market leaders like Clarion and Rob Riner in a submarket where we've experienced some recent success."

Initial site work at Carter Park East will commence in July 2020. The estimated delivery date for the first speculative phase of development, including improvements to Oak Grove Road, is summer 2021. The largest areas of the site will be marketed for build-to-suit users.

"The site dimensions at Carter Park East are wide enough to capture a large bulk user up to 1.8 million square feet in this coveted location. We are developing all new roads adjacent to the site for seamless access. Tenants frequently talk about the labor advantage at this location. Altogether, this project should compete well across any range of industrial users looking for space in DFW," added Colter.

"For such a big site, it is very infill," said Andy Lowe, Managing Director at Clarion Partners. "Carter Park East's location will provide tenants the access, labor, amenities, and functional modern distribution product that has, historically, not been available in South Fort Worth."

"In 2006 we developed a vision for this site. It has been many years in the making, but today, we're excited to see this vision realized," said Rob Riner of Rob Riner Companies. "This site is the hole in the map for bulk e-commerce, food, manufacturing, and distribution-type users that would benefit from expanding the coverage of their network with a facility in South Fort Worth."

Seth Koschak, Forrest Cook, and Jeff Rein with Stream Realty Partners (Stream), a national real estate services, development, and investment company, have been selected as the leasing team for the project.

Koschak, Managing Director and Partner of Stream's Fort Worth office, said, "We are thrilled to be part of Carter Park East. It will serve as a true destination hub for tenants and provide something a bit different from other projects found in the marketplace by way of amenities and other offerings. We have a blank canvas, so if tenants need something unique or specific that is not typically found in speculative design, we have the ability to accommodate them and move swiftly."

About Clarion Partners

Clarion Partners is a leading real estate investment management company headquartered in New York City. Clarion Partners was founded in 1982 and is an SEC-registered investment adviser with over \$56 billion in total assets under management. On behalf of its institutional clients, Clarion Partners invests in all types of real estate asset classes throughout the United States and Europe, and has a broad range of both equity and debt investment strategies across the risk/return spectrum. For more information, please visit www.clarionpartners.com.

About Crow Holdings Capital

Crow Holdings Capital is the real estate investment management company of Crow Holdings. Led by a highly experienced team, Crow Holdings Capital manages \$10 billion of real estate assets through its series of eight flagship value-add funds invested across property types in the United States, as well as its specialized fund strategies for retail, self-storage and multifamily. Crow Holdings is a privately owned real estate investment and development firm with a 70-year history and a proven track record of performance, partnership and innovation. For more information, please visit www.crowholdings.com/chc.

About Rob Riner Companies

Rob Riner Companies (RRC) is a commercial real estate firm providing a full spectrum of services for the office and industrial sectors, primarily focusing on development, brokerage and investment arenas in Dallas/Fort Worth and the Southwest. RRC has been responsible and involved in multiple master planned industrial parks. Parks include Granbury Commerce Center, Midpoint Logistics Center and Carter Distribution Center Phase 1 with Phase 2 well underway. Consideration for past and present projects total over 5 million square feet. The firm is currently underway on the permitting process for 6 projects in Tarrant County totaling 1.3 million square feet. Responsibilities included entitlements, wetland remediation/404 permitting, zoning, public infrastructure, Section 380 agreement, joint venture, loan placement, refinancing, asset management, property management, landscaping, tax consulting, development, project management, and leasing. Visit <https://robriner.com/>.

About Stream Realty Partners

Stream is a commercial real estate firm with full-service offerings in leasing, property management, development, construction management, and investment sales services across the industry. In addition, Stream is dedicated to sourcing acquisition and development opportunities for the firm and its clients. Since 1996, Stream has grown to a staff of more than 900 real estate professionals with regional offices in Atlanta, Austin, Charlotte, Chicago, Dallas, Denver, Fort Worth, Greater Los Angeles, Houston, San Antonio, San Diego, and Washington, D.C. Stream completes more than \$3.6 billion in real estate transactions annually and is an active investor and developer across the nation. Visit www.streamrealty.com.

EVERMAN

TRADE CENTER

I-35W & Everman Parkway | Fort Worth, Texas 76108

13,858 to 217,537 Square Feet

Site Plan



456,500 Total Square Feet

Building A—160 W Everman Freeway

- 217,537 SF
- Divisible to 45,947 SF
- 53 Dock High Doors
- 175 Car Parks – Expandable to 220 Parks
- 32' Clear Height
- 240' Building Depth
- 45' x 52' Column Spacing w/ 60' Loading Bay
- 100% ESFR Sprinkler
- 210' Shared Truck Court

Building B—8600 South Freeway

- 77,547 SF
- Divisible to 19,172 SF
- 25 Dock High Doors
- 114 Car Parks
- 28' Clear Height
- 180' Building Depth
- 40' x 52' Column Spacing w/ 60' Loading Bay
- 100% ESFR Sprinkler
- 210' Shared Truck Court

Building C—8300 South Freeway

- 106,308 SF
- Divisible to 26,330 SF
- 37 Dock High Doors
- 184 Car Parks
- 28' Clear Height
- 180' Building Depth
- 40' x 52' Column Spacing w/ 60' Loading Bay
- 100% ESFR Sprinkler
- 210' Shared Truck Court

Building D—8200 South Freeway

- 56,353 SF
- Divisible to 13,858 SF
- 24 Dock High Doors
- 148 Car Parks
- 24' Clear Height
- 140' Building Depth
- 45' x 52' Column Spacing / 50' Loading Bay
- 100% ESFR Sprinkler
- 130' Truck Court

New Majestic Business Park - South Fort Worth



MAJESTIC FORT WORTH SOUTH



A 320-acre Master Planned
Business Park
To Bring Over 3,000 New Jobs to
Fort Worth, TX



www.majesticrealty.com/projects/majestic-fort-worth-south

http://www.fortworthbusiness.com/news/majestic-plans--acre-business-park-in-south-fort-worth/article_80d719b0-3bf5-11e7-8828-e30c2340d671.html

Majestic plans 320-acre business park in south Fort Worth

FWBP Staff May 18, 2017



Everman Parkway building rendering
courtesy

Majestic Realty Co., in partnership with Fort Worth-based Hickman Companies, announced May 17 plans to develop a 320-acre master-planned business park in south Fort Worth planned for over 6 million square feet of office, industrial and logistics space.

The site is located at the southwest corner of Interstate 35 and Everman Parkway,

Located just 2.5 miles south of the Interstate 20 and Interstate 35 interchange, Phase I of the Majestic Fort Worth South Business Park will be built on 110 acres and total 1.8 million square feet of industrial space. With direct access to and visibility from I-35, the multi-building Phase I will offer users options ranging from 35,000 square feet to 1.2 million square feet of spec and build to suit options.

Scheduled for completion in June 2018, Building One will encompass 287,000 square feet. Features include: 32-foot clear height, 50-foot by 52-foot bay spacing, ESFR sprinkler system, 66 dock doors, 84 trailer parking spaces, 219 car parking spaces and a 190-foot truck court. The building has the flexibility to accommodate tenants ranging from 35,000 square feet to 287,000 square feet.

“With direct access to I-35 and I-20, a strong labor market and low vacancy within the sub-market, we believe that south Fort Worth provides a great option for any company considering locating within the DFW Metroplex,” said Majestic- Vice President Josh Wheeler.

Tenants of the Fort Worth South Business Park will join prominent neighboring businesses including Alcon, Ben E. Keith, Budweiser, Halliburton, Federal Express, NFI, Tyson and Procter & Gamble.

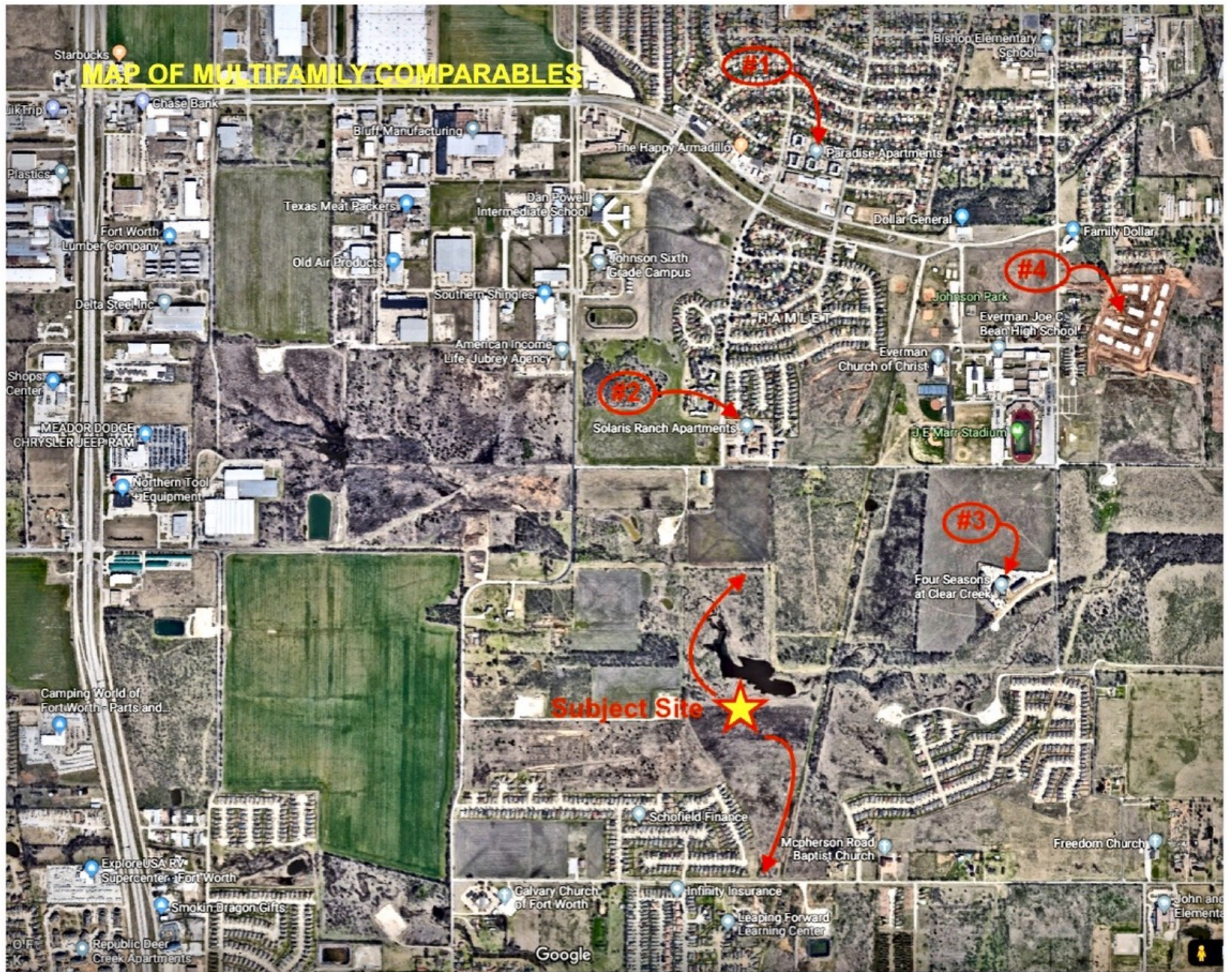
The Fort Worth South Business Park will add to Majestic Realty’s existing 9.5 million square foot Texas portfolio spread across six industrial parks including Lewisville (3.5 million square feet), Hutchins (1.5 million square feet), Fort Worth (1 million square feet.), Coppell (300,000 square feet.) Plano (200,000 square feet.) and Laredo (3 million square feet).



The 678,000-square-foot warehouse off Everman Parkway is a build-to-suit for Ball Corp. and is scheduled for completion in January.

LLOYD WHITTINGTON/TRIAD BUSINESS JOURNAL

MAP OF MULTIFAMILY COMPARABLES





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Real Estate > Tarrant County Multifamily Overview and Outlook for 2019

REAL ESTATE

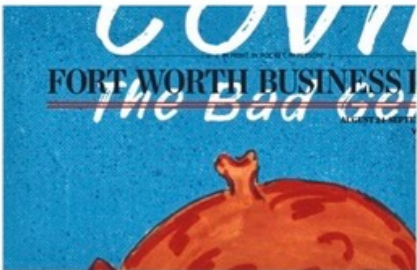
Tarrant County Multifamily Overview and Outlook for 2019

By *Drew Kile* January 25, 2019



An advertisement for TTI (The Electronic Component Specialists). It features a dramatic image of a rocket launching from the Earth's surface, with a bright flame and smoke trail. The text "Tomorrow" is written in a large, stylized font. Below it, the text reads "TTI Has the People and Passion that are Making it Happen." At the bottom, it says "The Electronic Component Specialists", "ttiinc.com | 1.800.CALL.TTI", and "Join us! TTI is an EOE/Vets/Disability Employer | A Berkshire Hathaway Company".

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Fort Worth apartment

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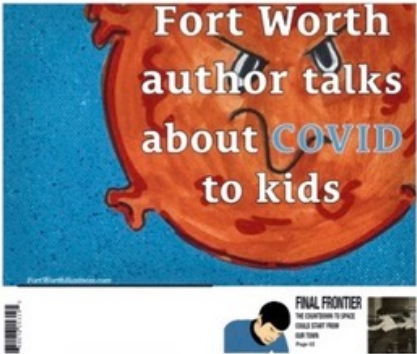
April 8, 2020

Much of the strength in Fort Worth can be attributed to limited new supply and job growth that is accelerating while many of the other markets around the state have seen a pullback.

The greater Fort Worth apartment market remains strong and a leader in the state. At a time when we are delivering some of the highest volume of new units this cycle, 25,900 new units across Dallas-Fort Worth in 2018, occupancy has increased modestly, and the Fort Worth market continues to lead many of its peers, including Dallas, in rent growth and occupancy projections. Occupancy in Fort Worth rose to a healthy 95.3 percent, with Dallas running lower for a third consecutive year at 95.1 percent. Much of the strength in Fort Worth can be attributed to limited new supply and job growth that is accelerating while many of the other markets around the state have seen a pullback. The Fort Worth market has seen job growth increase by almost 65 percent in the trailing 12 months with 22,600 jobs, compared with calendar year 2015 when



Drew Kile



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we saw just 13,800 new jobs added.

Supply, while up, is still less than that of many other markets throughout the state on a percentage-of-existing-stock basis. Additionally, the supply is well balanced between top of the market core buildings and more suburban assets throughout the county. Several of the core properties opening their doors in the heart of the city are some of the highest rent and most luxurious assets ever built in Fort Worth.

Suburban markets, with less supply than the urban core, continue to outperform with markets like North Arlington and the mid-cities leading the pack. North Arlington is actually the top submarket for rent growth anywhere in Dallas-Fort Worth through the current cycle. With this, we are starting to see new developments, which are long overdue, being planned for that market.

Even while there is diversity from suburban garden to urban mid-rise among the new buildings being delivered, they do all tend to be at the high end of their respective markets. For this reason, the Class B and C airspace continues to outperform with occupancy and

Bishop joins Lee & Associates

August 25, 2020

rent growth almost double that of the Class A sector. Although down from the peaks of the cycle, rent growth in the B and C space is still trending in the four and five percent range while the Class A properties in markets with more supply have seen occupancy slide marginally and rent growth drop to the very low single digits.

The sales market continues to be robust, despite some initial pressure from rising interest rates. Buyers have become more creative in how they are structuring their debt, and Fannie Mae and Freddie Mac continue to be active with major allocations for multifamily going into 2019. Cap rates in the Class A space remained constant year-over-year, but buyers have tended to be more conservative in their underwriting to protect themselves from the pressure emerging from additional new supply. Because of the strong performance, Class B and C cap rates have actually trended down, counter to what one might think in a rising interest-rate environment. Many companies see the lack of affordable housing options as a long-term demand driver for the Class B and C properties, as it is impossible to reproduce affordable workforce housing.

2019 looks to be a continuation of the mostly positive trends from last year. Transaction volume should remain high, and pricing will hold firm for multifamily assets. Fort Worth continues to elevate itself in the eyes of investors with more and more new companies, from major institutions all the way down to private individuals, recognizing the strong momentum in this market compared with others around the state.

Drew Kile is a senior director at Institutional Property Advisors, a multifamily brokerage division of Marcus & Millichap serving institutional and major private investors. In 14 years with the firm, he has facilitated and overseen the closing of transactions valued at nearly \$6.5 billion, including \$1 billion of Tarrant County apartment sales in the last three years.

Sources: Marcus & Millichap Research Services, Real Page Inc., U.S. Census Bureau BLS

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New Single Family Activity Near Equus Lake Village (ELV)

#	Subdivision Name	# of Lots	Approx. Acres	Developer/ Builder	Current Status	General Location
1	Logan Square	501	122	LGI	Site Cleared, Dirtwork Near Completion, and Roads Cut (including Street Stub into North End of ELV)	Adjoins ELV on NE Side/Fronts on S. Side of Oak Grove Shelby Rd. (Future Risinger Rd.)/ South of Everman High School
2	Kingspoint 3	77	25	Antares	Roads Constructed (Includes Kingspoint Stub into ELV) & Housing Construction About to Start	Adjoins East Side of ELV/N. of Castle Ridge Road on Kingspoint Blvd.
3	Name Unknown (Former Hillstone Property)	168	25	Lennar Homes	Partially Developed	Less than 0.3 Mi. east of ELV on S. side of McPherson Rd.
4	Brook Meadows	60	11	Sandlin Homes	Development Completed (7 Model Homes Recently Constructed & Sold)	0.33 Mi. W. of ELV on S. Side of McPherson Rd. (Adjoins Calvary Church)
5	Name Unknown	294	45	Lennar Homes	Preliminary Plat Being Prepared for Submittal	Less than 0.5 E. of ELV on S. Side of McPherson Rd. and W. Side of Foresthill Everman Rd. (Across from Townley Elementary)
6	Orchard Village	988	145	JMJ/Legend	Roads cut	1 Mile NE of ELV Betw. Shelby & Risinger roads on W. Side of Rendon Rd (adjoins Baxter Jr. High)
	Total New Single Family Lot Activity Close to ELV	2,088	374	Various	Various	Within 1 mile of ELV
						08.25.20

All of the above information and data are approximations that reflect Equus Lake LLC's latest understandings and research.