A Conversation With Scott Rohrman, 42 Real Estate Owner and Man of Many Murals

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A Deep Ellum mural by artist Lesli Marshall. Photo Courtesy of Vimeo.

42 Real Estate owner Scott Rohrman understands there is more to real estate development than putting up new towers and flipping properties for profit. Rohrman is making an impact on the communities he buys and builds in through his 42 Muralscontest in **Deep Ellum**, which enlisted 42 artists to paint murals on all his properties in the area. In an effort to "not be a slumlord," Rohrman's met with everyone from bartenders to residents on his journey to preserve Deep Ellum's famous counterculture.



Scott Rohrman, developer. Photo courtesy of the Dallas Observer.

Tell me about your history and relationship with Deep Ellum?

In late 2012, I started researching Deep Ellum, and I spent a lot of time talking to the people who make it what it is. These people are the waitresses, waiters, bartenders, and residents. I was really impressed by the spirit of community that pervaded every conversation. Everyone saw everyone else as a neighbor and comrade, living life with no limits on creativity.

I then started talking to property owners and realized that several would be willing to sell, but they wanted to know first that they were selling to someone who was going to care for the community. Barry Annino, Mike Geisler, Theo Thompson and Mike Turner were instrumental in helping the 42 team accomplish all that we started.

With our team, we put together a program to buy properties. Our initial focus was five items: safety, lighting, parking, critical mass of property, and not to be a slumlord type of owner. We were able to buy properties and have addressed the above items, but we're not finished. We are working with a group to invest more money into Deep Ellum with us so that the area can go to the next level.

We also set guidelines to follow for our leasing, and made an effort to meet every prospective tenant so that we knew them personally and they knew us. But very few had a business plan and the passion for the area that would allow us to say yes. We are not yet fully leased, but we could be. We said no to a lot of nice people, because while their business may have been a good one, it didn't match up to what we were trying to accomplish. We took risks and leased to people who other landlords in other parts of the city had said no to. We got to know them, and determined their passion would be great for Deep Ellum.

Tenant mix is very important to us. Early on, we turned down a restaurant that offered us a lot of money for one of our prime buildings. It would have been a great financial decision and they are great operators, but their offerings were similar to two other restaurants in Deep Ellum. Even though the other two restaurants were not our tenants, we didn't want to create unnecessary competition in the district. It's not always possible, but when we can, we keep that in mind.



A rendering of The Epic, a mixed-use project planned for Deep Ellum. Photo courtesy of Perkins + Will.

What do you see for the future of Deep Ellum?

In my opinion, its future is very bright. The business owners are actively working together to make the area better. I'm seeing property owners work to make sure rocks aren't being thrown, because we all live in glass houses. This is the first time I know of in Deep Ellum where business owners and property owners have come together to see what's best to this degree.

The Deep Ellum Foundation's board has been very united now for more than three years, and it's a pleasure to see differing opinions voiced, and disagreements occur, but relationships staying intact. In the end, multiple points of view — heard and acknowledged and weighed carefully — make the final decisions work better than just one person's opinion. I see institutional money coming into Deep Ellum with some current

projects under construction and additional projects on the drawing board. This is a good thing.

It's imperative that the edginess and eclectic-ness is maintained, but we don't have enough money to address all of the things that could be improved. Institutional money will help us get better sidewalks, better lighting, more plantings, etc into Deep Ellum quicker.



Mural by Adrian Torres titled, "Deep Ellumphants." Photo courtesy of 42 Real Estate.

Why implement contests like 42 Murals?

Artists have made their home in Deep Ellum since the late 1800s, and murals have existed in Deep Ellum for decades. When the tunnel was taken out, we lost a large space for murals on the tunnel walls. Because the tunnel provided shelter and some measure of privacy for the artists, the murals were painted over many times, and that is the genesis of our desire to regularly change the murals on our walls. It allows an evolution of art that hopefully showcases new ideas and new expressions of our history. I love art, and more art is always better to me.

Do you have any interesting upcoming projects that you are excited about?

I'm very excited about our next edition of 42 Murals. We've received more than 200 submissions so far. This time, the focus is on portraits, but the definition of portraits for this project is very loose, and the artists came up with some great takes on how to express themselves with this concept. We will be announcing the selected artists for the 2017 edition of 42 Murals soon, and painting should start taking place this month.

Where do community and real estate intersect?

On the sidewalk, where people meet each other.

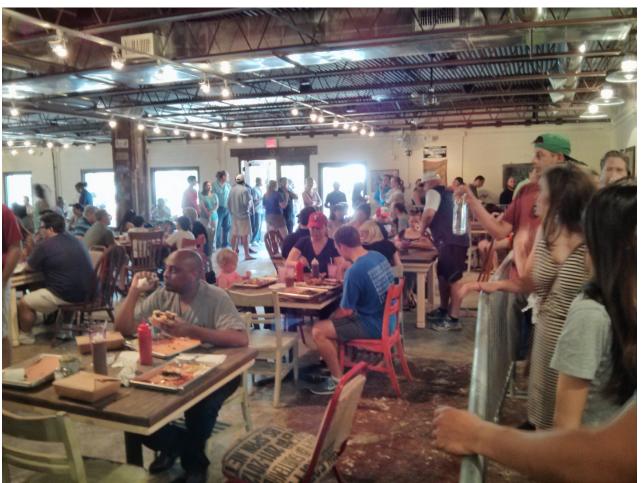
We believe real estate is simply the backdrop for the experience. It's not the focus, but poorly-designed real estate can still detract from human interaction. We believe the Deep Ellum community is a wonderful place, and hope the real estate enhances that.

Real estate isn't valuable unless people are using it. When people use our spaces, they create community.

We haven't had the money to invest like we would want, because when we started, we couldn't find any large investors willing to put money upfront and hope that Deep Ellum would turn around. We had to lease space without having fixed up the buildings. That's why tenants like Pecan Lodge, Braindead Brewing, Filament, and High and Tight are so valued by us. They leased space in buildings that looked run down, but they had the same vision we did.

Now that the area has turned around, we're working with a capital source that is willing to invest money into streetscape

plans, a plaza, and outdoor improvements. Until now, we couldn't do this investment because we were having to lease a space, use that lease to get money to improve that space and then do it all over again. Now we have a broader and more indirect investment into the area.



The interior of Deep Ellum barbecue joint Pecan Lodge, one of 42 Real Estate's tenants. Photo by Steve Rainwater / Flickr.

How is Dallas, as a whole, a good market for your line of work?

I came to Dallas with no job prospects, and Bruce Harbour took me under his wing. He gave me a desk and a phone and the encouragement to dial for dollars. Dallas gives opportunities. If you work hard and are interested in people, then good things are going to happen. The business leaders in Dallas are welcoming to anyone if they have good ideas and are willing to work hard. I have never seen a city with harder-working people in it — I'm amazed at the work ethic here.

As a business climate and a real estate environment, Dallas is second to none. We have low taxes, a marvelous city, and a very impressive new city manager. The City Council members who have noticed what we're doing have been super supportive, and are also focused on making Dallas better. I'm always impressed when I meet with them and realize how many hours they put into city affairs.