

Ross Avenue

Development Site

Confidential offering memorandum



Ross Avenue





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FOR TEXAS'S
TO-DO LISTS

Investment Summary

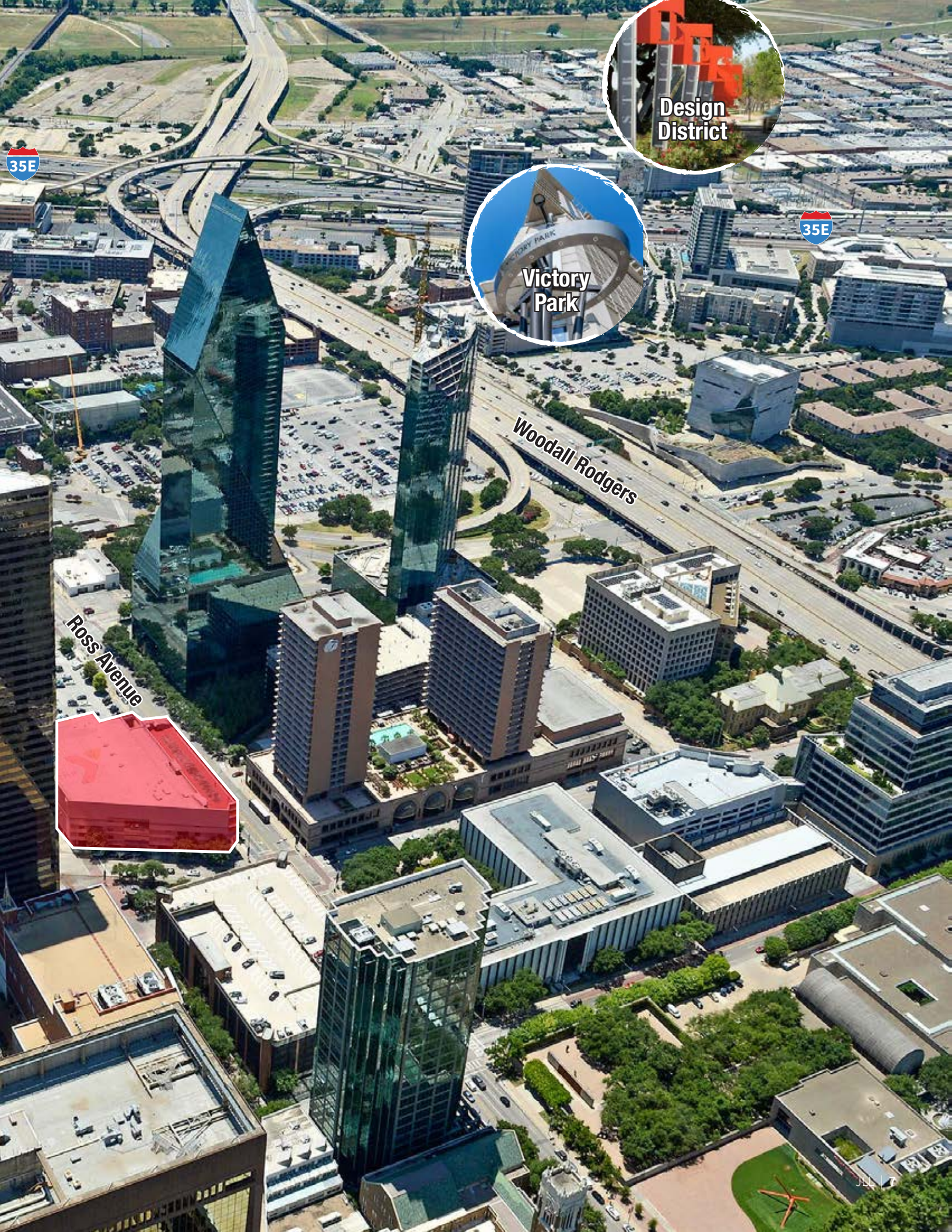




THE OFFERING

JLL is pleased to present a unique opportunity to acquire one of the most desirable development properties in Dallas/Fort Worth. Known as the T. Boone Pickens YMCA, this 0.96 acre property is at the hub of Downtown Dallas located at the intersection at Ross Avenue and N Akard Street and is adjacent to some of the Dallas' most iconic developments. The existing zoning for the property is Commercial Area 1 (CA-1) which allows for a maximum Floor Area Ratio (FAR) of 20:1 and will permit any institutional, commercial or residential use providing flexibility for development scenarios.





Design District



Victory Park



Woodall Rodgers

Ross Avenue





INVESTMENT HIGHLIGHTS



Transit Advantaged

Located in downtown Dallas, roughly 0.3 miles from Dallas' new streetcar system, this site represents the most transit advantaged site in the state of Texas. The connectivity available at this site allows a resident or employee from this site to easily travel to and from sporting events and concerts at American Airlines Center, or to ride to either Dallas Love Field or DFW Airport. In addition to the light rail and streetcar system, the site is just a few minute walk from the future Texas Central High Speed Rail station that will connect Dallas / Fort Worth, Houston, and Austin / San Antonio.



Walkability

Literally, by just walking a block or two from 1516 Ross Avenue, residents, employees and visitors to the site can choose from Dakota's, Pyramid Restaurant and Bar located in The Fairmont Hotel, Corrientes 348 Argentinian Steakhouse, Cafe Nasher by Wolfgang Puck, Tortaco Meson Mezcal, Carmine's Pizza, Starbucks and 7-11. A 10-minute walk west on Ross Avenue brings you to Dallas' "West End" entertainment and dining district. And a 10-minute walk to the east will bring you to the Arts District, Dallas' cultural hub.



Superior Zoning

The existing zoning is CA-1, the broadest and most permissive classification in the Dallas zoning ordinance. CA-1 allows, by right, a range of development scenarios including multi-family and office towers, hotel, retail, medical, educational, and commercial parking uses. With an FAR of 20:1, the total built environment that can be created here with no zoning changes is 839,000 square feet and 1,000 feet in height.



Scale

At 0.9627 acres, centrally located in the 4th largest metropolitan area in the United States, the site is incredibly unique in the scale of what can be developed on a contiguous, urban-infill parcel. Whether it be a major corporate HQ, an entire neighborhood of new residential and retail, or a mix of all of the above, including hospitality, the range of what can be imagined here is extremely broad.

DALLAS CBD CLASS A **OFFICE MARKET**

- Class A Inventory: 22,242,397 square feet (12% of all Dallas Office inventory)
- 2019 YTD Net Absorption: 197,590 square feet
- Total Vacancy: 27%
- Average Asking Rent (Gross): \$29.12 per square foot
- YTD Completions (Q2 2019): 354,135 square feet
- Under Construction (Q2 2019): 104,050 square feet

DALLAS CLASS A **OFFICE MARKET**

- Class A Inventory: 116,353,906 square feet (62% of all Dallas Office inventory)
- 2019 YTD Net Absorption: 1,740,894 square feet
- Total Vacancy: 20%
- Average Asking Rent (Gross): \$32.03 per square foot
- YTD Completions (Q2 2019): 938,897 square feet
 - Includes 550,000 square feet of build-to-suit
 - >> AmerisourceBergen Specialty Group: 300,000 square feet
 - >> Nokia Siemens Networks: 250,000 square feet
- Under Construction (Q2 2019): 3,619,514 square feet
 - Includes 1,441,400 square feet of build-to-suit
 - >> Brinker International: 216,400 square feet
 - >> SRS Distribution: 100,000 square feet
 - >> Pioneer Natural Resources: 1,125,000 square feet

UPTOWN/CBD **MULTI-HOUSING MARKET**

- Inventory: 49 properties
- 12,780 total units (12,453,018 square feet)
- Total Occupancy: 93.9%
- Average (one bedroom) Rent Rate: \$1,563 (\$1.80 per square foot)
- Developments:
 - 6 planned properties (2,451 units)
 - 7 prospective properties (1,384 units)
 - 12 under construction properties(3,419 Units)

DFW ECONOMIC OVERVIEW



Home to over **10,000 CORPORATE HEADQUARTERS** - the largest concentration of corporate headquarters in the U.S.



Home to **25 FORTUNE 500** Headquarters



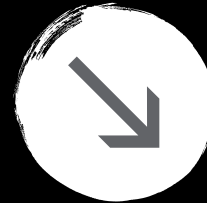
Dallas ranked **1ST** in job growth



Dallas ranked **1ST** in the number of jobs added



Indeed ranks DFW **3RD** in adjusted cost of living salaries



UNEMPLOYMENT rate of **3.3%** vs the national average of 3.9%



JOB GROWTH of **116,400** over the past year



Approximately **323 JOBS** are added to the DFW area per day



17,700 JOBS added within the professional and business services sector (5.3% DFW vs 2.6% US increase) in 2017

Diversified and thriving economy

Property Overview



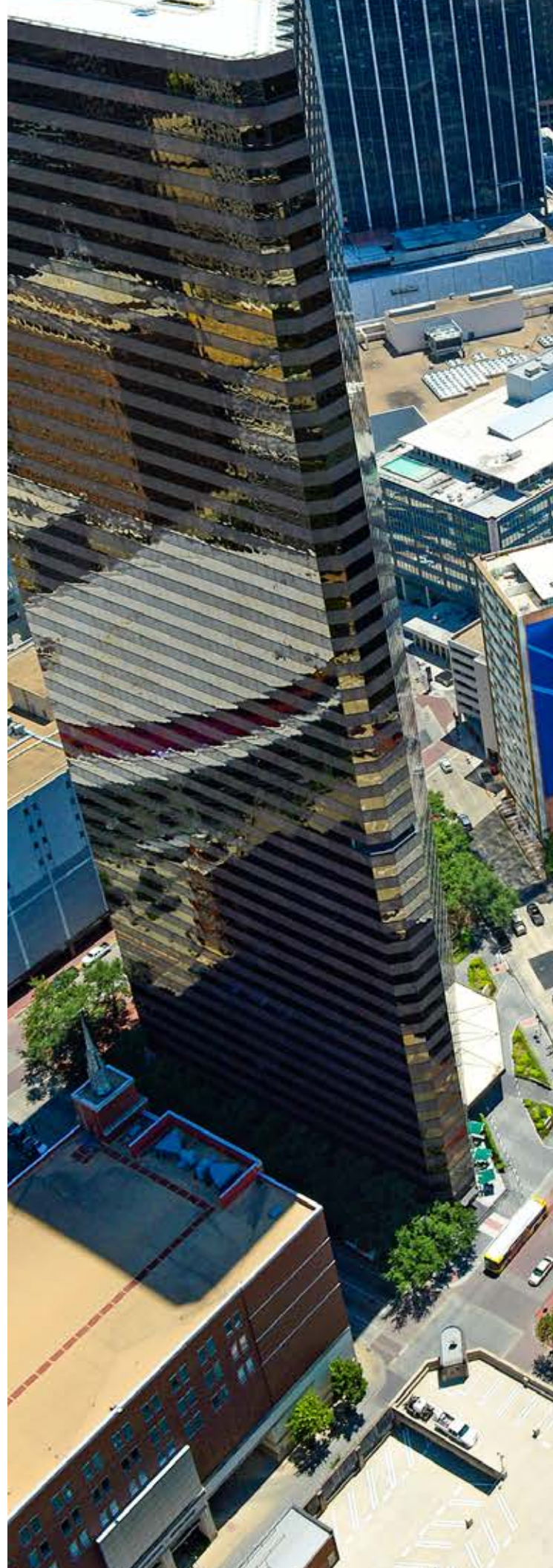
Ross Avenue





PROPERTY OVERVIEW

ADDRESS	1516 Ross Avenue Dallas, TX 75202
SITE SIZE	0.9627 acres
BUILDING COVERAGE PERMITTED	100%
MAX FAR	20:1
MAX HEIGHT	1,000'
ZONING	(allows office, multifamily, retail, restaurant, hotel, medical, education & Parking)
UTILITIES	Water, Storm, Sanitary Sewer, and Electrical are on the site
TRANSIT ACCESS	DART Light Rail and New Streetcar System immediately adjacent. Texas Central High Speed Rail – 5 minute walk.
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TRANSIT ACCESS	DART Light Rail and New Streetcar System immediately adjacent. Texas Central High Speed Rail – 5 minute walk.



100%
BUILDING
COVERAGE
PERMITTED

1,000'
MAX
HEIGHT

20:1
MAX
FAR



CA-1
Zoning

ALLOWS OFFICE, MULTIFAMILY,
RETAIL, RESTAURANT, HOTEL,
MEDICAL, EDUCATION & PARKING

THE SITE

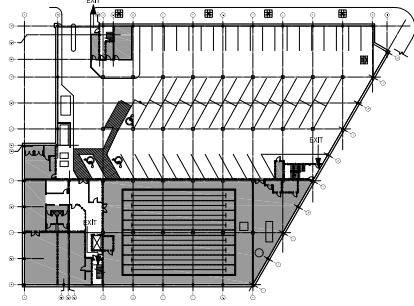
The YMCA site is unmatched in many ways. Transit connectivity, Scale of the site, and Walkability are all outstanding. All of this is enhanced by the speed to market that is allowable given the existing zoning already on the site, and requiring no entitlement changes. The existing zoning classification for the site is Central Area 1 (CA-1). CA-1 permits any institutional, commercial, or residential use that can be imagined for the subject property, including Office, Multi-family, Retail, Restaurant, Hotel, Medical, Educational, and Commercial Parking uses. There is a Specific Use Permit (SUP 1467) on the site which allows for an open-enrollment charter school. This is particularly significant given all the other modes of transportation within walking distance of the site. A corporate user would place much value on this already allowed use.

The yard, lot and space provisions in CA-1 are the most permissive in the entire Dallas Zoning Ordinance, and include:

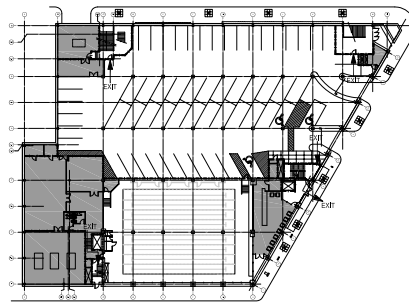
- No minimum front, side, or rear yards (except that a minimum 10' Setback from street curb is required for sidewalks).
- No maximum dwelling unit density.
- Maximum floor area ratio of 20 to 1. 0.9627 acres equates to an allowable area of 839,000 square feet.
- Maximum height limited only by FAA requirements (1,000 feet in this area).
- Parking ratio of one space / 2,000 square feet of building area regardless of use.
- 100% building coverage permitted.
- Other points apply. (<https://dallascityhall.com/departments/sustainabledevelopment/planning/Pages/CA-1A.aspx>)



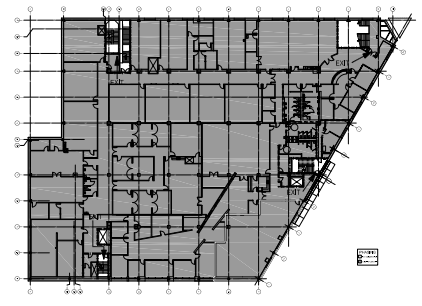
RENOVATION OPPORTUNITY



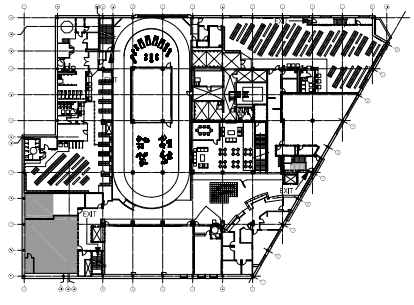
01 BASEMENT / ROSS GARAGE PLAN



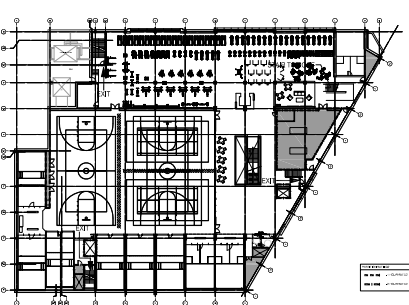
02 FIRST FLOOR PLAN



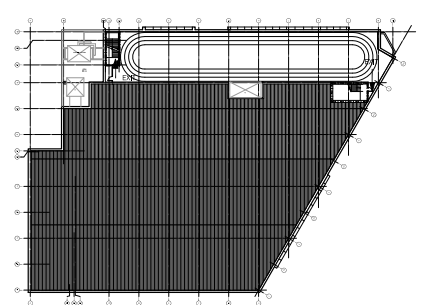
03 SECOND FLOOR PLAN



04 THIRD FLOOR PLAN



05 FOURTH FLOOR PLAN



06 ROOF PLAN

OCCUPANCY, CONSTRUCTION TYPE, & ALLOWABLE AREA

PROJECT TYPE: EXISTING BUILDING RENOVATION WITH SOME EXTERIOR WINDOWS BEING ADDED. NO CHANGE IN USE IS PROPOSED.

TYPE		FULLY SPRINKLERED EXISTING BUILDING			
OCCUPANCY		A-3			
CONSTRUCTION		IIB			
ALLOWABLE AREA		ULIM. DALLAS AMENDMENT 507.10 ALLOWS UNLIMITED AREA FOR ANY TYPE IIB BUILDING 5 STORIES OR LESS.			
		GROSS:	NET:	OCCUPANT LOAD:	TOTAL OCCUPANTS
AREA	ACTUAL AREA BASEMENT	40,907 S.F.	PKG GARAGE: 23,287 S.F. OFFICES: 364 S.F. STO/MECH.: 8,827 S.F.	1/200 S.F. 1/100 S.F. 1/300 S.F.	117 4 30
	*NO PARTITION CHANGES THIS FLOOR				
	FIRST FLOOR	40,907 S.F.	PKG GARAGE: 20,828 S.F. POOL: 8,222 S.F. FITNESS: 1,638 S.F. STO/MECH.: 3,454 S.F. DINING / KITCHEN: 725 / 490 S.F.	1/200 S.F. 1/50 S.F. 1/50 S.F. 1/300 S.F. 1/15 + 1/300 S.F.	105 165 33 12 51
	*NO PARTITION CHANGES THIS FLOOR				
	SECOND FLOOR	40,907 S.F.	OFFICES: 1,896 S.F. CONF.: 2,222 S.F. EDUCATIONAL: 20,587 S.F. STO/MECH.: 1,444 S.F.	1/100 S.F. 1/15 S.F. 1/20 S.F. 1/300 S.F.	19 149 1,030 5
	*NO PARTITION CHANGES THIS FLOOR				
	THIRD FLOOR	40,907 S.F.	LOCKERS RMS: 12,530 S.F. OFFICES: 1,941 S.F. FITNESS: 7,306 S.F. CONF.: 299 S.F. STO/MECH.: 1,149 S.F. TRACK: 6,849 S.F.	1/50 S.F. 1/100 S.F. 1/50 S.F. 1/15 S.F. 1/300 S.F. 1/50 S.F.	251 20 147 20 4 137
FOURTH FLOOR	39,370 S.F.	GYMNASIUMS: 10,936 S.F. FITNESS: 14,910 S.F. COURTS (9): 6,796 S.F. OFFICE: 262 S.F. STO/MECH.: 1,722 S.F.	1/15 S.F. 1/50 S.F. 1/50 S.F. 1/100 S.F. 1/300 S.F.	729 299 136 3 6	
ROOF	7,231 S.F.	OUTDOOR TRACK: 7,231 S.F.	1/50 S.F.	145	1,173 TOTAL
*NO PARTITION CHANGES THIS FLOOR					
BUILDING TOTAL		62,989 S.F.			3,617 TOTAL
ALLOWABLE HT/STORIES		85 FT/5			
ACTUAL (FEET)		XX FT-X IN			
ACTUAL (STORIES)		4 ABV GRADE			



Location Overview



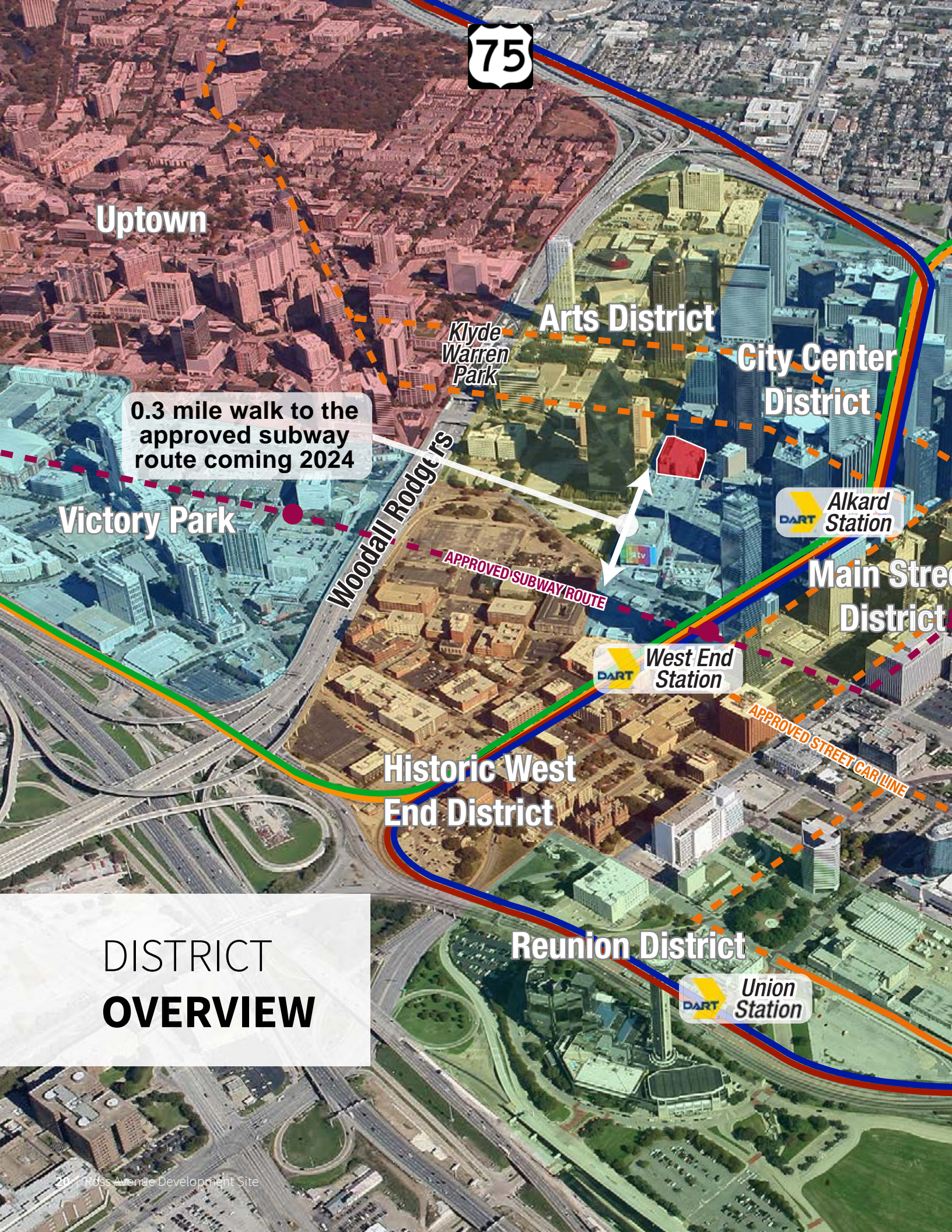
The Central Business District is the geographic center of the sixth largest city in the country. Moreover, Downtown Dallas is the iconic symbol and heart of the fast growing MSA in the United States. From a distance, the highly recognizable skyline represents the strength, opportunity and diversity of Dallas. Up close, Downtown Dallas is home to culture, people, businesses that make the heart beat and keep the city alive, thriving and growing.



SUBJECT PROPERTY

- PRIMARY OFFICE
- OFFICE
- HOTEL
- POINTS OF INTEREST
- RESIDENTIAL
- DART RAIL
- TRINITY RAIL EXPRESS





Uptown

Arts District

City Center District

0.3 mile walk to the approved subway route coming 2024

Klyde Warren Park

Victory Park

Woodall Rodgers

APPROVED SUBWAY ROUTE

DART Alkard Station

Main Street District

DART West End Station

APPROVED STREET CAR LINE

Historic West End District

DISTRICT OVERVIEW

Reunion District

DART Union Station



Central Business District

Home to 27 million square feet of office space, more than 8,000 multifamily units and over 6,000 businesses, as well as the Dallas Convention Center. The CBD features more than 22 million square feet of Class A office space, which resides mostly along Ross Avenue and nearest Uptown.

West End District

A unique and history-rich neighborhood that is pioneering Dallas' creative office market. The creative hub is now home to 3.5 million square feet of office space, 180,000 square feet of retail and 617 multifamily units.

Uptown

North of downtown Dallas and connected by Klyde Warren Park, Uptown is a dynamic district with more than its fair share of shopping, restaurants, and nightlife destinations that are as popular with those calling the neighborhood home as they are with visitors.

Victory Park

The 75-acre development surrounding the 20,000-seat American Airlines Center ("AAC") is now home to over 2,000 residences, 620,000 square feet of office space, the W Dallas-Victory Hotel and a variety of retail and restaurant options.

Arts District

68-acre area that serves as the cultural epicenter for Dallas and includes the Dallas Museum of Art, AT&T Performing Arts Center, Morton H. Meyerson Symphony Center, Winspear Opera House and Wyly Theatre. The district features more Pritzker Prize-winning architecture on a single block than any other place in the world.

Historic West End

A unique and history-rich neighborhood that is pioneering Dallas' creative office market. The creative hub is now home to 3.5 million square feet of office space, 180,000 square feet of retail and 617 multifamily units.

Texas Central High Speed Rail Station



CONNECTIVITY

With a major highway traversing north-south and an international airport in its backyard, the property is well positioned in the path of growth and provides easy access to all of its amenities and beyond

- *Bordered by I-35E directly to the west, which connects the city north and south*



Amli Fountain Place (U/C)
Apartments (350 Units)

The Farimont (remodel)
Hotel (545 key)

Fountain Place Garage (U/C)
Parking (1,500 spaces)
Retail (16,000 SF)

Klyde Warren Park (Announced)
1.2 additional acres over
Woodall Rodgers Freeway

Ross Tower (remodel)
Office (1,100,000 SF)

2000 Ross (U/C)
Apartments (350 units)
Hotel (227 key)
Retail (32,000 SF)

The Spire (U/C)
Office (1,250,000 SF)
Apartments (190 units)
Hotel (500 key)
Retail (65,000 SF)

Flora Lofts (U/C)
Apartments (360 units)
Retail (12,000 SF)

Woodall
Rodgers

Ross Avenue

Hillwood Urban (Proposed)
Office (1,300,000 SF)

AREA DEVELOPMENTS

1401 Elm (U/C)
Apartments (335 Units)
Hotel (225 key)
Retail (150,000 SF)



Dallas Farmers Market



South Side on Lamar



Alamo Draft House



Convention Center



NEARBY AMENITIES



Arts District



Union Station



Observation Deck



Historic West End District



Perot Museum



Klyde Warren Park



INSTITUTIONAL OWNERSHIP

Many of the world's savviest real estate owners and operators are stakeholders in Downtown and Uptown



WALKABILITY

One of the most pedestrian friendly environments in the entire state of Texas



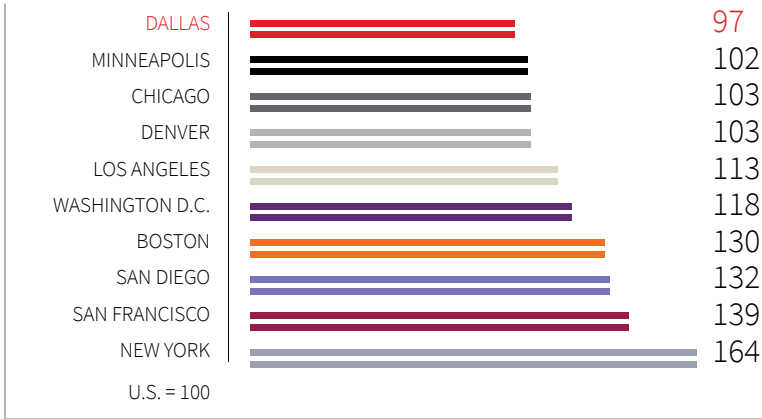
AMENITY BASE

Over 300 dining and entertainment options surrounding the Property

WHY DFW

Dallas-Fort Worth is a business-friendly environment with low taxes and numerous incentives that encourage continued growth and investment in Dallas-Fort Worth.

COST OF DOING BUSINESS



0% STATE AND LOCAL INCOME TAX

The DFW is one of the most affordable in the country.

HOUSING PRICES

12% less than the national average

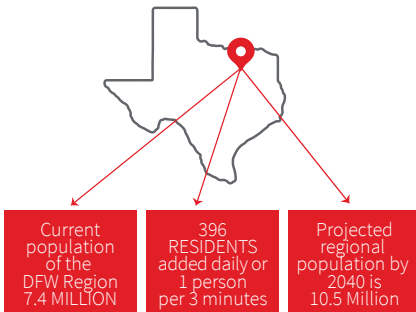
49% less than many other large metros;



a competitive advantage for companies seeking to keep labor costs low and recruit the best workers.

POPULATION

The DFW Region has an abundant pipeline of talent for existing and new employers.



MAGNET FOR TALENT



370,899 students enrolled in higher education at major universities and community colleges in DFW.

45,481 Number of Bachelors, Masters and PhD degrees awarded in 2015 by DFW-area colleges and universities.

272,745 Number of graduates in 2015 from the 100+ colleges and universities within Texas and adjacent states.

LABOR FORCE & GROWTH



The DFW regional labor force is **3.7 million**.

DFW ranks **1st** in job creation in 2017, adding **91,700 jobs**.



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