



## ECONOMIC UPDATE

DECEMBER 2006

*Data provided by Strategic Insight Group  
Intelligence Research Partner of the Fort Worth Chamber of Commerce*

### ***In the Works***

There are several new leases at 8205 Camp Bowie West, and the building is now 87 percent leased. **Apollo Arts Community** leased 1,400 square feet, and **Zamora Construction, Segars Medical Group, Pony Express** and **Sharry Tipps-Mach** have each leased 700 square feet of office space. **Paul McKinney**, principal of **McKinney Commercial Real Estate**, is the landlord and represented himself.

*Star Telegram, December 4, 2006*

**Oscar Aquilera**, a furniture wholesaler, has bought a 10,000-square-foot building at 1551 W. Berry St., where he plans to open a **Furniture World** store. The building is on 18,750 square feet of land.

*Star Telegram, December 4, 2006*

The 71,000-square-foot building which formerly housed **Gabberts Furniture & Design Studio**, has been sold. The building, located at 6301 Oakmont Blvd., off South Hulen Street, is available for lease as office space.

*Fort Worth Business Press, December 4, 2006*

Members of the Fort Worth City Council and representatives of the Texas Department of Transportation and the North Texas Tollway Authority cheered Dec. 6 while the first building in the **Southwest Parkway/State Highway-121T** project was razed at a formal ceremony. The small one-story building, formerly home to the **Howard Kane Plumbing Co.**, on West Vickery Boulevard was demolished to make way for the Southwest Parkway, a 15-mile toll road between downtown and FM 1187 in southwest Fort Worth. The tollway will be constructed as a six-lane roadway from Interstate Highway 30 to Altamesa Boulevard and a four-lane roadway from Altamesa to FM 1187.

*Fort Worth Business Press, December 11, 2006*

**Fort Worth Academy**, 7301 Dutch Branch Road, has begun construction on a \$2.6 million, 12,500-square-foot facility expansion. The addition will have dedicated music and performing-arts space, a library and discovery center, additional classrooms and a lower-school playground, the school said. The school was founded in 1982.

*Star Telegram, December 26, 2006*

**Northpoint Trade Center I and II**, two multi-tenant office and warehouse properties, and 9.5 acres of adjacent vacant land, at Blue Mound Road and 820, have been bought by **Xebec Realty Partners**, a Los Angeles-based real estate investment company. The buildings total 208,611 square feet. Xebec said it plans to develop an additional 200,000 square feet of warehouse distribution space on the vacant land

*Star Telegram, December 11, 2006*

**Dick's Sporting Goods** is coming to North East Mall, filling the 100,000 square feet of space vacated this year by Saks Fifth Avenue. Dick's, based in Pittsburgh, is aiming to open in Hurst in fall 2007. The North East Mall store will be the third Texas location for Dick's, which has nearly 300 stores in 34 states, primarily in the eastern U.S.

*Star Telegram, December 24, 2006*

## ***Expansions and Moves***

**Williams Trew Real Estate Services** will soon move across the street from the building it now occupies, 4809 Camp Bowie Blvd. A partnership of the principals of Williams Trew - Joan Trew, Martha Williams and Marshall Boyd - recently sold the 5,000-square-foot former **Chase Bank** branch to **First Texas BHC**, headed by former Fort Worth banker Vernon Bryant. The move is only temporary and the firm is looking at its options to consolidate three offices it operates on Camp Bowie. The partnership sold the former bank branch because space was tight for the 30 agents who have offices there.

*Star Telegram, December 11, 2006*

After three months of renovations, **Austin Co. Commercial Real Estate** has moved from its former 2,400-square-foot office at 100 E. Mason St. into the 16,200-square-foot multi-use office space at 2401 Scott Ave., north of downtown. The Class B office space, which has been renamed Austin Plaza, has 18 offices and a 2,000-square-foot, 300-person auditorium available for outside businesses to rent. Approximately 9,000 square feet of office space is available for lease.

*Fort Worth Business Press, December 11, 2006*

**Bella Retreat Spa & Salon**, 5031 Camp Bowie Blvd., has doubled its space to 3,000 square feet and now includes **New Bella Boutique**, which offers jewelry, belts and clothing.

*Star Telegram, December 26, 2006*

## ***On the Dotted Line***

Warren Buffett's Berkshire Hathaway announced that it has agreed to buy **TTI**, an electronic-parts distributor Andrews founded 35 years ago in a spare bedroom in Fort Worth after being laid off from General Dynamics. Terms were not disclosed, but Andrews said shareholders of the privately held TTI will be paid in cash.

*Star Telegram, December 24, 2006*

**Oak Park Villas**, a 150-unit assisted-living facility at 4242 Bryant Irvin Road, has been sold to a limited partnership of **The Covenant Group**, based in Fort Worth. The facility, built in 1985, covers 111,145 square feet on 5 acres. At the time of the sale, it was 63 percent occupied. The Covenant Group bought the property under the name **Covenant Place of Burleson**, the deed shows.

*Star Telegram, December 4, 2006*

Holt Hickman and his **Hickman Cos.** recently inked two major Camp Bowie Boulevard tenants. Scheduled to open next month, the **Historic Camp Bowie Mercantile**, a 40,000-square-foot property located at 7200 Camp Bowie Blvd., will sell high-end collectibles and antiques. And last week, Hickman announced **Tarleton State University** will expand its reach into Tarrant County with a 10,000-square-foot lease at 6777 Camp Bowie Blvd.

- The Mercantile building that will house the **Historic Camp Bowie Mercantile**, previously Small Fry World Baby and Teen Furniture, is currently undergoing renovations. Upon completion, it will feature stained-concrete floors, hand-painted, cloud-patterned ceilings and a mural of Camp Bowie's history. Products will range from handbags to fine western furniture, all supplied from North Texas dealers. A café will feature local specialties such as beer-cheese soup and sweet tea.

- At the Dec. 5 lease-signing, **Tarleton State University** President Dennis McCabe, Fort Worth Mayor Mike Moncrief and Hickman gathered at the site of Tarleton's newest location, which is slated to open for classes next month. Tarleton's new location, which will be on the fifth floor of the Hickman Cos. building, is part of a long-term plan to expand the university's presence in Tarrant County.

*Fort Worth Business Press, December 11, 2006*

**Ace Hardware Corporation** has leased 25,000 square feet at 5101 Village Creek Parkway. The location was developed by **Ascend Development**.

*Star Telegram, December 11, 2006*

In one of four recent transactions at **River Plaza**, located at 1701 River Run Road off of University Drive in Fort Worth, **Spirent Communications** renewed its lease for five years and expanded its existing space from 7,200 square feet to 11,800 square feet. Also, **Texas Grain and Feed Association** signed for 800 square feet; the **Texas Society of CPAs** signed to renew its lease for a 3,700-square-foot space for five years; and **ANA Consultants**, which has 5,200 square feet in the 26-year-old building, renewed its lease.

*Fort Worth Business Press, December 25, 2006*

**River Plaza** is the site of an upcoming 7.5-acre mixed-use development which will include renovations to the office building to upgrade it to Class A office space, the addition of ground-floor retail, riverfront dining and a 140-room boutique hotel.

*Fort Worth Business Press, December 25, 2006*

**Minuteman Press** recently signed a lease for 2,700 square feet in the Riverbend Properties industrial park at Trinity Boulevard and East Loop 820 in northeast Fort Worth.

*Fort Worth Business Press, December 25, 2006*

**Mendoza Law** has leased 2,000 square feet of office space at 1057 Foch St.

*Star Telegram, December 26, 2006*

**Sweet & Sassy**, a children's salon, has leased 4,937 square feet in *Trinity Commons*, 3000 S. Hulen St. Sweet & Sassy offers haircuts, mini-manicures, mini-pedicures, ear-piercing, spa and glam girl parties. The company plans to open 40 stores nationwide by the end of 2007.

*Star Telegram, December 26, 2006*

The building that houses **Supreme Golf**, 5805 Camp Bowie Blvd., has been sold. A local investor group, **Intec Capital**, bought the 6,000-square-foot building from **Don McClard**, who sold the business in 2004. The new owners are leasing the building to Supreme Golf.

*Star Telegram, December 18, 2006*

## **Openings**

Preparations are under way for **29 Degree Tavern**, the latest addition to the **Chapel Hill Shopping Center** at West Freeway and Hulen Street. The tavern, known for its steaks and extensive bar, is one of three Metroplex locations, and a part of Metromedia Restaurant Group, which owns Bennigan's, Steak & Ale, Ponderosa Steakhouse and Bonanza Steakhouse. The 6,500-square-foot Chapel Hill space, which formerly housed Big Bowl Fresh Chinese and Thai, is scheduled to open Jan. 23.

*Fort Worth Business Press, December 11, 2006*

**Chimy's Cervezeria**, a Lubbock-based Tex-Mex restaurant, opened Dec. 8 at 1053 Foch St., near West Seventh Street. The 2,000-square-foot space has outside patio seating for 60. The restaurant is housed in a former warehouse space.

*Fort Worth Business Press, December 25, 2006*

**Citizens National Bank** will open its fourth Tarrant County branch at 2720 W. 7th St. early next month. The bank will relocate its corporate headquarters from 6002 Southwest Boulevard in southwest Fort Worth. Citizens National Bank will occupy approximately 12,000 square feet in the two-story, 20,000-square-foot building, and will take the entire first floor and some space on the second floor. The rest of the space will be available for lease. *Fort Worth Business Press, December 4, 2006*

Thomas Turner, the longtime banker, recently jumped back into the Fort Worth banking market to head up local operations for Dallas-based **Park Cities Bank**. The bank's temporary building is at 4255 Camp Bowie Blvd. The bank, founded in 2000, has grown quickly. It currently has about \$450 million in assets. *Fort Worth Business Press, December 11, 2006*

Two banks already operating in the area will be adding their first Fort Worth addresses in the new year. Arlington-based **Southwest Securities FSB** and Dallas-based **Sovereign Bank** are both planning locations in Fort Worth that will open in 2007.

- **Southwest Securities** will be moving into the D.R. Horton Tower downtown, leasing 3,200 square feet on the 31st floor. Southwest Securities, a subsidiary of SWS Group of Dallas, listed \$1 billion in assets and 150 employees, as of Oct. 31.
- Startup bank **Sovereign** will add a Fort Worth address when it opens a full-service branch at 3113 S. University Drive in the Woodcrest Capital building. Sovereign, established in 2004, had \$437 million in assets as of Sept. 30.

*Fort Worth Business Press, December 25, 2006*

**Citibank** plans to open a branch in the TCU area in 2007.

*Fort Worth Business Press, December 25, 2006*

## ***Around Town***

The developers of **City Place** have incorporated the possibility for a third tower into the four-block redevelopment of the **Tandy Center**. During a Nov. 30 event at the City Place site, David Porter, president of PNL Cos., the project's developer, said the central block, which houses the former **Fort Worth Outlet Square** building, will have a parking structure, and based on the success of the first two phases, a potential third tower above the garage. Interior demolition and glass work for **Two City Place**, which will have 300,000 square feet of Class A office space, began in the summer of 2006, with occupancy scheduled for spring. The site, which is flanked by **One and Two City Place**, is also in close proximity to the **Renaissance Worthington Hotel** and **Sundance Square**.

*Fort Worth Business Press, December 11, 2006*

Three years after downtown Fort Worth gained its first radio station with **KFWR/95.9 FM "The Ranch," Daniel Frishberg** is ready to make his **BizRadio Network** the second. The 2-year-old company is already broadcasting from Dallas as **KMNY/"BizRadio 1360" AM**. Last week Frishberg visited Fort Worth to say he plans to move the studio to a high-visibility location in downtown Cowtown employing 25 to 30 people, who would handle programming, engineering and advertising sales. His anticipated \$15 million investment includes the cost of acquiring an AM broadcasting license and tower, which BizRadio currently leases.

*Star Telegram, December 18, 2006*

**Sardines Ristorante Italiano**, a Cultural District landmark since 1978, is back in the hands of the family that founded the restaurant. *Amy Matarese*, whose father, *Sal Matarese*, founded Sardines, said last week that she is running the restaurant with several colleagues. Their takeover comes about a year after her father sold the business to former manager *Jon Castleberry*.

*Star Telegram, December 26, 2006*

## ***Out of Town Reporting***

The U.S. Air Force has awarded a \$200,000 contract to **Lockheed Martin Corp.**, Fort Worth, Texas, for aircraft and airframe structural components.

*US Fed News, December 2, 2006*

Near the end of our day with 'Barefoot' Bob, he had trapped 16 wild hogs, making a silk purse out of a sow's ear by selling the pigs to a company that slaughters them, processes the meat, and ships most of it to Europe. But it's also catching on in this country, even at the finest places in Texas. Chef **Jon Bonnell** now grills boar chops at the high-end restaurant bearing his game in Fort Worth. He pays 70% more for feral hogs than for farm-raised pork. The chef served up a small rack as an appetizer.

*Interview on Nightline: ABC News Transcripts, December 12, 2006 Tuesday*

**Texas Pacific Group** was among the most active investors in a record year for private equity, cutting deals totaling almost \$40 billion in this month alone. The private equity group, based in Fort Worth, Texas, with an investment arm in San Francisco, was busy sealing deals for Australian airline Qantas, travel agent Sabre and casino operator Harrah's as the year wound down to a close. Texas Pacific is participating, usually as a buying consortium, in some of the biggest private equity deals ever

*San Francisco Business Times, January 1, 2007*

“The ‘CSI’ Experience” will begin a national tour of science museums in September. Exhibit is expected to continue touring for up to seven years. ‘CSI’ creator Anthony Zuiker has also been involved in creating the exhibit, which is funded by a partnership that includes the **Fort Worth Museum of Science and History**, CBS Consumer Products and the National Science Foundation. The NSF has pitched in \$2.4 million to fund the exhibit and a ‘CSI’-themed science Web site created at Rice U. that's geared to young people.

*Daily Variety, January 2, 2007*

The game may have been all about football, but the overall event was a tribute to 1.2 million very special people -- the men and women of the United States armed forces. The Universities of Utah and Tulsa took to the field Dec. 23 at **Amon G. Carter Stadium** for the Bell Helicopter Armed Forces Bowl. The flurry of activities before the game started off with a Fan Fest Adventure Area. Attendees could visit any number of military hardware displays, climb a rock wall, listen to a military band or take a ride in a simulator. There was also a display of an Army and Air Force Exchange Service mini-exchange, similar to the ones supporting deployed members overseas.

*Defense Department Documents and Publications, December 24, 2006*

## ***Did You Know?***

The **Fort Worth Convention & Visitors Bureau** has named **David DuBois** its new president and CEO, replacing Douglas Harman who announced his retirement several months ago. As president and CEO, DuBois will be responsible for the strategic management and direction of FWCVB initiatives to promote the interests of the city in the convention and tourism industries. DuBois begins his new position on Jan. 2, 2007.

*Fort Worth Business Press, December 4, 2006*

During a **Downtown Fort Worth Inc.** luncheon on Nov. 30, Douglas Benton, vice president and senior credit officer of Moody's Investors Service, said Fort Worth has the best central business district in the country, with just 4 percent office vacancy. Benton added that the company has ranked Fort Worth among the top 20 percent of 387 metropolitan markets for employment, both for a two-year and five-year time frame. The company conducts credit assessments for 25,000 municipalities, and considers Fort Worth stable from a public finance perspective, Benton said.

*Fort Worth Business Press, December 11, 2006*

## ***Year End***

Currently, downtown has approximately 380 owner-occupied residential units, with 367 in the works in 2006 and another 914 in 2007, according to the recent “State of Downtown” publication from **Downtown Fort Worth Inc.**

In recent years, apartment owners have tried to fill their units and raise rents, but with foundering job growth, low mortgage rates and the prevalence of deep discounts, that plan has had all the pizzazz of a car with a dead battery.

Vacancies increased, and discounts prevailed, as people moved to houses with low-interest mortgages. But in 2006, the industry got a jump-start from new jobs, higher interest rates, sluggish home sales and an influx of hurricane evacuees that increased the number of renters. Additionally, apartment developers eased up by not flooding the market with new units.

These factors are expected to continue next year, revving the market for its strongest activity in years. As a result, renters are likely to be paying more for their apartments when they sign or renew leases. And those shopping for apartments are less likely to be offered several months of free rent.

The pendulum seems to be swinging back for the apartment market -- and those in the industry are expecting a recovery in 2007

*Star Telegram, December 18, 2006*

Fort Worth is ending the year as the third-most active area for residential real-estate investing in 2006, according to a survey by *HomeVestors*, a Dallas-based company behind the “We Buy Ugly Houses” slogan.

Fort Worth ranked behind Gary, Ind., and Tucson, Ariz., as top spots for residential investment on the annual list.

*Star Telegram, December 26, 2006*

## ***Downtown Real Estate Roundup***

Range Resources will move from the Carter Burgess office building of Seventh and Main streets to the newly renovated Two City Place on Throckmorton Street this spring, more than doubling its space in the process.

Crescent Real Estate Equities Co., which owns the Carter Burgess tower, said it already has commitments on the Range Resources space of about 30,000 square feet.

ConocoPhillips, which acquired Burlington Resources this year, has said it will soon begin subleasing the nearly 200,000 square feet Burlington had leased on eight floors in Burnett Plaza, 801 Cherry St., the city’s tallest building. That lease is through 2013.

The tight vacancy rate will be eased by some projects that are scheduled to begin in 2007, including Fort Worth financier Ed Bass’ 16-story Carnegie Building at Third and Taylor streets, where EOG Resources, an independent oil and natural gas exploration and development company, has committed to a lease of 50,000 square feet.

Wagner Oil Co. plans a seven-story office building at Fifth and Commerce streets, where the Mexican Inn restaurant was demolished last year.

JPMorgan Chase owns a block where it operates a 24-lane drive-through bank, which it has under contract. The deal for the property at Cherry and 10<sup>th</sup> streets could close in late January. The existing facilities will be torn down, making it a prime location for another office building.  
*Star Telegram, December 30, 2006*