

# WALNUT HILL BUSINESS CENTER

MULTI-TENANT INDUSTRIAL PROPERTY IN  
DALLAS, TEXAS

2636 Walnut Hill Lane, Dallas, TX 75229

Marcus & Millichap  
TAG INDUSTRIAL GROUP



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# WALNUT HILL BUSINESS CENTER

MULTI-TENANT INDUSTRIAL PROPERTY IN  
DALLAS, TEXAS





# SECTION 1

EXECUTIVE SUMMARY

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# OFFERING SUMMARY

Address	2636 Walnut Hill Lane, Dallas, TX 75229
Number of Suites	35
Number of Buildings	3
Total Square Feet	108,154
Year Built	1979
Lot Size	7.11 Acres
Type of Ownership	Fee Simple

## WALNUT HILL BUSINESS CENTER





# SUMMARY OF TERMS

## **INTEREST OFFERED**

The fee simple interest in Walnut Hill Business Center, an industrial property located at 2636 Walnut Hill Lane in Dallas, Texas.

## **TERMS OF SALE**

Walnut Hill Business Center is being offered on a Request for Offer bid basis.

## **PROPERTY TOURS**

All property tours must be arranged with the Marcus & Millichap listing agents. At no time shall the tenants, on-site management or staff be contacted without prior approval.



## WALNUT HILL BUSINESS CENTER

# 108,154 SF INDUSTRIAL PROPERTY IN DALLAS, TX

*Marcus & Millichap is pleased to present the opportunity to acquire Walnut Hill Business Center located at 2636 Walnut Hill Lane in Dallas, Texas. The subject property consists of approximately 108,154 square feet of warehouse space and is situated on 7.11 acres of land. The multi-tenant asset features 14' clear heights, two dock-high doors, and 18 grade-level doors. The property is professionally landscaped and provides ample parking. With an overall vacancy rate 4.7 percent and a 3.6 percent annual growth rate in rents (CoStar), the property is located in a tough barrier-to-entry market. Situated in Northwest Dallas, the property has easy access to Interstates 35 East and 635.*





# INVESTMENT HIGHLIGHTS



FEATURES 14' CLEAR HEIGHTS,  
TWO DOCK-HIGH DOORS, AND  
18 GRADE-LEVEL DOORS



LOCATED IN NORTH WEST  
DALLAS WITH EASY ACCESS  
TO INTERSTATE 35E AND 635



TOUGH BARRIER-TO-ENTRY  
MARKET: 4.7% OVERALL  
VACANCY AND 3.6% ANNUAL  
RENT GROWTH (COSTAR)



108,154-SQUARE-FOOT  
MULTI-TENANT WAREHOUSE  
SITUATED ON 7.11 ACRES



PROFESSIONAL LANDSCAPING  
AND AMPLE TENANT PARKING



A map of the Dallas-Fort Worth metropolitan area. A large green box with white text is centered over the map, reading "WALNUT HILL BUSINESS CENTER". A green dot with a vertical line points to a specific location in Farmers Branch, Texas. Other cities and towns are labeled across the map, including Denton, Frisco, McKinney, Irving, and Fort Worth. Major lakes like Lewisville Lake and Lavon Lake are also visible.

# WALNUT HILL BUSINESS CENTER

DALLAS

FORT WORTH






# WALNUT HILL BUSINESS CENTER







# WALNUT HILL BUSINESS CENTER

MULTI-TENANT INDUSTRIAL PROPERTY IN  
DALLAS, TEXAS





# SECTION 2

PROPERTY DESCRIPTION

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# PROPERTY DETAILS

Address	2636 Walnut Hill Lane, Dallas, TX 75229
Type of Ownership	Fee Simple
Number of Suites	35
Number of Buildings	3
Total Square Feet	108,154
Year Built	1979
Lot Size	7.11 Acres
Clear Height	14'
Number of Parking Spaces	317
Parking Surface	Concrete
Building Class	B
Tenancy	Multi Tenant
Dock High Doors	2
Grade Level Doors	18
6ft Double Doors	17
Construction	Masonry
Zoning	IR
Market	Dallas/Fort Worth
Submarket	East Hines North
Market Vacancy	4.70%





DOWNTOWN DALLAS  
**11 MILES**

FORT WORTH  
**30 MILES**








INSPECTIONS  
TIRE'S  
MUFFLERS  
ALIGNMENT

19.99









# WALNUT HILL BUSINESS CENTER

MULTI-TENANT INDUSTRIAL PROPERTY IN  
DALLAS, TEXAS





# SECTION 3

FINANCIAL ANALYSIS

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# DEBT QUOTE

## PRELIMINARY QUOTE

Lender	CMBS, Max Leverage
Max Proceeds	up to 75% LTPP
Term	10 Years
Amortization	30 Years
Interest-Only	3 Years
Index	10-Year SWAP
Index Rate as of 5/16/2021	1.60%
Spread	2.10%
All-In Rate as of 5/16/2021	10-Years Fixed: 3.70%
Lender Fee	Par
Reserves	TI/LC: \$1.00/sf/year CapEx: TBD (determined by PCA)
Prepayment	Defeasance
Recourse	Non-recourse, standard carveouts
Other	Combination of upfront and ongoing reserves and cash flow sweeps around large tenant lease rollover(s)

## PRELIMINARY QUOTE

Lender	CMBS, Full Term Interest-Only
Max Proceeds	up to 65% LTPP
Term	10 Years
Amortization	30 Years
Interest-Only	Full Term
Index	10-Year SWAP
Index Rate as of 5/16/2021	1.60%
Spread	1.95%
All-In Rate as of 5/16/2021	10-Years Fixed: 3.55%
Lender Fee	Par
Reserves	TI/LC: \$1.00/sf/year CapEx: TBD (determined by PCA)
Prepayment	Defeasance
Recourse	Non-recourse, standard carveouts
Other	Combination of upfront and ongoing reserves and cash flow sweeps around large tenant lease rollover(s)

## PRELIMINARY QUOTE

Lender	Bank
Max Proceeds	up to 75% LTV
Term	up to 10 Years
Amortization	25 Years
Interest-Only	Up to 1 year
All-In Rate as of 5/16/2021	5-years fixed: 3.75% 10-years fixed: 4.25%
Lender Fee	0.50%
Prepayment	Open
Recourse	Limited Recourse (25% to 50%) to Full Recourse depending on leverage

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# IN PLACE OPERATING STATEMENT

Income	Current	Per SF
Scheduled Base Rental Income	1,067,412	9.87
Expense Reimbursement Income		
Net Lease Reimbursement		
Total Reimbursement Income	\$0	0.0%
Expense Reimbursements Annually	61,260	0.57
Effective Gross Revenue	\$1,128,672	\$10.44
Operating Expenses	Current	Per SF
Landscaping	3,580	0.03
Pest Control	974	0.01
Janitorial	7,800	0.07
Trash Removal	2,852	0.03
Utilities	27,127	0.25
Management Fee	32,338	0.30
Insurance	54,000	0.50
Real Estate Taxes	80,716	0.75
Total Expenses	\$209,387	\$1.94
Expenses as % of EGR	18.6%	
Net Operating Income	\$919,285	\$8.50

Note: "Current ownership not fully collecting on NNN reimbursements. This provides potential upside for reimbursement income to a buyer coming in and enforcing the NNN leases."



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# CASH FLOW

For the Years Ending	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6	
	Dec-2022		Dec-2023		Dec-2024		Dec-2025		Dec-2026		Dec-2027	
<b>Potential Gross Revenue</b>												
Base Rental Revenue	\$1,043,913	\$9.65	\$1,193,389	\$11.03	\$1,278,234	\$11.82	\$1,343,316	\$12.42	\$1,398,869	\$12.93	\$1,436,190	\$13.28
Absorption & Turnover Vacancy	(14,480)	(\$0.13)	(43,532)	(\$0.40)	(36,146)	(\$0.33)	(8,470)	(\$0.08)	(11,323)	(\$0.10)	(23,789)	(\$0.22)
Scheduled Base Rental Revenue	1,029,433	\$9.52	1,149,857	\$10.63	1,242,088	\$11.48	1,334,846	\$12.34	1,387,546	\$12.83	1,412,401	\$13.06
<b>Expense Reimbursement Revenue</b>												
Insurance	47,394	\$0.44	49,924	\$0.46	52,307	\$0.48	54,986	\$0.51	56,595	\$0.52	57,865	\$0.54
Real Estate Taxes	252,868	\$2.34	266,367	\$2.46	279,086	\$2.58	293,374	\$2.71	301,964	\$2.79	308,747	\$2.85
Management Fee	29,126	\$0.27	30,682	\$0.28	32,146	\$0.30	33,792	\$0.31	34,782	\$0.32	35,560	\$0.33
Landscaping	3,351	\$0.03	3,529	\$0.03	3,700	\$0.03	3,889	\$0.04	4,002	\$0.04	4,094	\$0.04
Pest Control	913	\$0.01	961	\$0.01	1,006	\$0.01	1,058	\$0.01	1,086	\$0.01	1,113	\$0.01
Janitorial	7,303	\$0.07	7,693	\$0.07	8,059	\$0.07	8,474	\$0.08	8,725	\$0.08	8,920	\$0.08
Trash Removal	2,672	\$0.02	2,814	\$0.03	2,947	\$0.03	3,101	\$0.03	3,189	\$0.03	3,261	\$0.03
Utilities	28,218	\$0.26	29,722	\$0.27	31,140	\$0.29	32,736	\$0.30	33,694	\$0.31	34,451	\$0.32
Total Reimbursement Revenue	371,845	\$3.44	391,692	\$3.62	410,391	\$3.79	431,410	\$3.99	444,037	\$4.11	454,011	\$4.20
Total Potential Gross Revenue	1,401,278	\$12.96	1,541,549	\$14.25	1,652,479	\$15.28	1,766,256	\$16.33	1,831,583	\$16.93	1,866,412	\$17.26
Effective Gross Revenue	1,401,278	\$12.96	1,541,549	\$14.25	1,652,479	\$15.28	1,766,256	\$16.33	1,831,583	\$16.93	1,866,412	\$17.26
<b>Operating Expenses</b>												
Insurance	(50,604)	(\$0.47)	(52,122)	(\$0.48)	(53,686)	(\$0.50)	(55,296)	(\$0.51)	(56,955)	(\$0.53)	(58,664)	(\$0.54)
Real Estate Taxes	(270,000)	(\$2.50)	(278,100)	(\$2.57)	(286,443)	(\$2.65)	(295,036)	(\$2.73)	(303,887)	(\$2.81)	(313,004)	(\$2.89)
Management Fee	(31,100)	(\$0.29)	(32,033)	(\$0.30)	(32,994)	(\$0.31)	(33,984)	(\$0.31)	(35,003)	(\$0.32)	(36,053)	(\$0.33)
Landscaping	(3,580)	(\$0.03)	(3,687)	(\$0.03)	(3,798)	(\$0.04)	(3,912)	(\$0.04)	(4,029)	(\$0.04)	(4,150)	(\$0.04)
Pest Control	(974)	(\$0.01)	(1,003)	(\$0.01)	(1,033)	(\$0.01)	(1,064)	(\$0.01)	(1,096)	(\$0.01)	(1,129)	(\$0.01)
Janitorial	(7,800)	(\$0.07)	(8,034)	(\$0.07)	(8,275)	(\$0.08)	(8,523)	(\$0.08)	(8,779)	(\$0.08)	(9,042)	(\$0.08)
Trash Removal	(2,852)	(\$0.03)	(2,938)	(\$0.03)	(3,026)	(\$0.03)	(3,116)	(\$0.03)	(3,210)	(\$0.03)	(3,306)	(\$0.03)
Utilities	(30,127)	(\$0.28)	(31,031)	(\$0.29)	(31,962)	(\$0.30)	(32,921)	(\$0.30)	(33,909)	(\$0.31)	(34,926)	(\$0.32)
Base Year Diff	(22,164)	(\$0.20)	(991)	(\$0.01)		\$0.00		\$0.00		\$0.00		\$0.00
Total Operating Expenses	(419,201)	(\$3.88)	(409,939)	(\$3.79)	(421,217)	(\$3.89)	(433,852)	(\$4.01)	(446,868)	(\$4.13)	(460,274)	(\$4.26)
Net Operating Income	982,077	\$9.08	1,131,610	\$10.46	1,231,262	\$11.38	1,332,404	\$12.32	1,384,715	\$12.80	1,406,138	\$13.00
<b>Leasing &amp; Capital Costs</b>												
Tenant Improvements	53,960	\$0.50	143,252	\$1.32	170,636	\$1.58	31,982	\$0.30	36,948	\$0.34	67,270	\$0.62
Leasing Commissions	39,096	\$0.36	96,331	\$0.89	119,861	\$1.11	22,870	\$0.21	30,570	\$0.28	53,402	\$0.49
Total Leasing & Capital Costs	93,056	\$0.86	239,583	\$2.22	290,497	\$2.69	54,852	\$0.51	67,518	\$0.62	120,672	\$1.12
Cash Flow Before Debt Service & Taxes	\$889,021	\$8.22	\$892,027	\$8.25	\$940,765	\$8.70	\$1,277,552	\$11.81	\$1,317,197	\$12.18	\$1,285,466	\$11.89

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# ASSUMPTIONS

Year 7 Dec-2028		Year 8 Dec-2029		Year 9 Dec-2030		Year 10 Dec-2031	
\$1,563,634	\$14.46	\$1,699,898	\$15.72	\$1,768,057	\$16.35	\$1,802,356	\$16.66
(45,535)	(\$0.42)	(56,657)	(\$0.52)	(10,811)	(\$0.10)	(14,450)	(\$0.13)
1,518,099	\$14.04	1,643,241	\$15.19	1,757,246	\$16.25	1,787,906	\$16.53
58,804	\$0.54	60,309	\$0.56	63,742	\$0.59	65,611	\$0.61
313,753	\$2.90	321,779	\$2.98	340,097	\$3.14	350,059	\$3.24
36,140	\$0.33	37,063	\$0.34	39,176	\$0.36	40,323	\$0.37
4,160	\$0.04	4,266	\$0.04	4,510	\$0.04	4,642	\$0.04
1,134	\$0.01	1,161	\$0.01	1,229	\$0.01	1,263	\$0.01
9,061	\$0.08	9,295	\$0.09	9,826	\$0.09	10,111	\$0.09
3,315	\$0.03	3,397	\$0.03	3,594	\$0.03	3,697	\$0.03
35,006	\$0.32	35,903	\$0.33	37,950	\$0.35	39,061	\$0.36
461,373	\$4.27	473,173	\$4.37	500,124	\$4.62	514,767	\$4.76
1,979,472	\$18.30	2,116,414	\$19.57	2,257,370	\$20.87	2,302,673	\$21.29
1,979,472	\$18.30	2,116,414	\$19.57	2,257,370	\$20.87	2,302,673	\$21.29
(60,424)	(\$0.56)	(62,236)	(\$0.58)	(64,103)	(\$0.59)	(66,026)	(\$0.61)
(322,394)	(\$2.98)	(332,066)	(\$3.07)	(342,028)	(\$3.16)	(352,289)	(\$3.26)
(37,135)	(\$0.34)	(38,249)	(\$0.35)	(39,397)	(\$0.36)	(40,578)	(\$0.38)
(4,275)	(\$0.04)	(4,403)	(\$0.04)	(4,535)	(\$0.04)	(4,671)	(\$0.04)
(1,163)	(\$0.01)	(1,198)	(\$0.01)	(1,234)	(\$0.01)	(1,271)	(\$0.01)
(9,314)	(\$0.09)	(9,593)	(\$0.09)	(9,881)	(\$0.09)	(10,177)	(\$0.09)
(3,405)	(\$0.03)	(3,508)	(\$0.03)	(3,613)	(\$0.03)	(3,721)	(\$0.03)
(35,974)	(\$0.33)	(37,053)	(\$0.34)	(38,165)	(\$0.35)	(39,310)	(\$0.36)
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(474,084)	(\$4.38)	(488,306)	(\$4.51)	(502,956)	(\$4.65)	(518,043)	(\$4.79)
1,505,388	\$13.92	1,628,108	\$15.05	1,754,414	\$16.22	1,784,630	\$16.50
181,081	\$1.67	197,813	\$1.83	37,076	\$0.34	42,833	\$0.40
134,317	\$1.24	152,976	\$1.41	29,189	\$0.27	39,016	\$0.36
315,398	\$2.92	350,789	\$3.24	66,265	\$0.61	81,849	\$0.76
\$1,189,990	\$11.00	\$1,277,319	\$11.81	\$1,688,149	\$15.61	\$1,702,781	\$15.74

Market Leasing Assumptions			
Walnut Hill Business Center	MLA 1	MLA 2	MLA 3
Size	0-2,500 SF	2,500-5,000 SF	5,000-20,000 SF
Market Rent	\$15	\$12	\$10.50
Term	5	5	5
Months Vacant	3	3	3
Renewal Probability	75%	75%	75%
TI New Lease	\$7	\$7	\$7
TI Renewal	\$3	\$3	\$3
Leasing Commissions	4.50%	4.50%	4.50%
Management Fee	5%	5%	5%
Market Rent Growth	5%	5%	5%
Inflation Rate	3%	3%	3%

\*Current leases structured as Triple Net are not being fully enforced by the Landlord in reference to reimbursements. This allows for upside potential for a buyer coming in and enforcing the reimbursements, which in return will increase NOI.

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# LEASE SUMMARY REPORT

#	Tenant Name	Suite	Square Feet	Comm.	Exp.	Rent/Mo	Next Change	Change Amount	Lease Type
1	Robert Scott (RCI)	100	4,160	6/20	5/23	\$3,000	1/22	\$3,500	NNN
2	Schlenker Investments	110	6,750	5/21	4/24	\$5,500	5/22	\$5,750	NNN
3	Metaksya Martirosyan	110 A	4,000	4/21	12/23	\$4,500	N/A	N/A	NNN
4	ALSET Autos	110B	3,500	7/21	6/24	\$4,150	N/A	N/A	Modified Gross
5	Auditory Sound Solutions	200, 202, 205	18,861	3/13	3/23	\$10,500	N/A	N/A	Modified Gross
6	Bellagio Dallas	206 & 207	4,160	8/20	10/27	\$3,500	12/22	\$3,700	NNN
7	Iglesia Evangelica	215	3,617	3/20	3/25	\$2,600	N/A	N/A	NNN
8	Alcoholica Anonymous	222	3,700	6/20	5/25	\$2,500	7/22	\$3,000	NNN
9	Assist Wireless, LLC	230	3,588	6/21	5/22	\$3,100	N/A	N/A	NNN
10	JS Construction	242	3,775	3/20	2/26	\$2,850	N/A	N/A	NNN
11	Evelyn Carballo	245	2,983	12/15	4/23	\$2,500	N/A	N/A	Modified Gross
12	Liliana Ivet Ramirez Martinez	251	2,427	4/21	3/23	\$2,350	N/A	N/A	NNN
13	Ministerio Restauracion Church	257	3,567	7/19	6/24	\$2,700	N/A	N/A	NNN
14	Perpetual Praise Church	261	3,143	5/08	10/21	\$2,300	N/A	N/A	Modified Gross
15	Adalet's Party Rental	265	2,415	6/21	5/24	\$2,000	6/22	\$2,100	NNN
16	Adalet's Party Rental	268	1,392	12/20	11/23	\$1,600	N/A	N/A	NNN
17	Iktan Interiors	272	2,800	9/20	8/22	\$2,000	N/A	N/A	NNN
18	David Deleon	275	2,487	4/21	3/24	\$2,400	4/22	\$2,500	NNN
19	Tower Residential & Development	301	3,849	4/21	3/24	\$3,200	4/22	\$3,300	NNN
20	Second Hand Cars Inc	309	1,191	1/20	3/23	\$1,900	N/A	N/A	Gross
21	Jordan Tubbs	310	825	4/21	3/22	\$1,000	N/A	N/A	NNN
22	Interior Image of Texas	311	815	11/13	12/22	\$950	N/A	N/A	Gross
23	Machining Dynamic	313	1,034	12/20	11/23	\$1,350	N/A	N/A	NNN
24	Animal Tag Corporation	316	2,017			\$1,700	N/A	N/A	NNN
25	J Bell Services	320	1,834	9/20	8/22	\$1,800	N/A	N/A	NNN
26	Buildgreen Inc	325	2,500	3/20	2/23	\$2,150	N/A	N/A	Gross
27	Deliverics LLC	326	1,300	3/21	4/22	\$1,500	N/A	N/A	NNN
28	Minsterio International	330	2,183	6/21	5/24	\$2,400	N/A	N/A	NNN
29	America's Truckers Corp	335	1,233	9/13	4/23	\$1,150	N/A	N/A	Modified Gross
30	Genesis Counseling	337	4,448	12/08	11/23	\$3,706	N/A	N/A	Modified Gross
31	The Redeemed Christian Church	348 & 350	7,000	7/19	6/24	\$6,095	7/22	\$6,250	NNN
32	Owner Storage	S	600	N/A	N/A	\$0	N/A	N/A	NNN

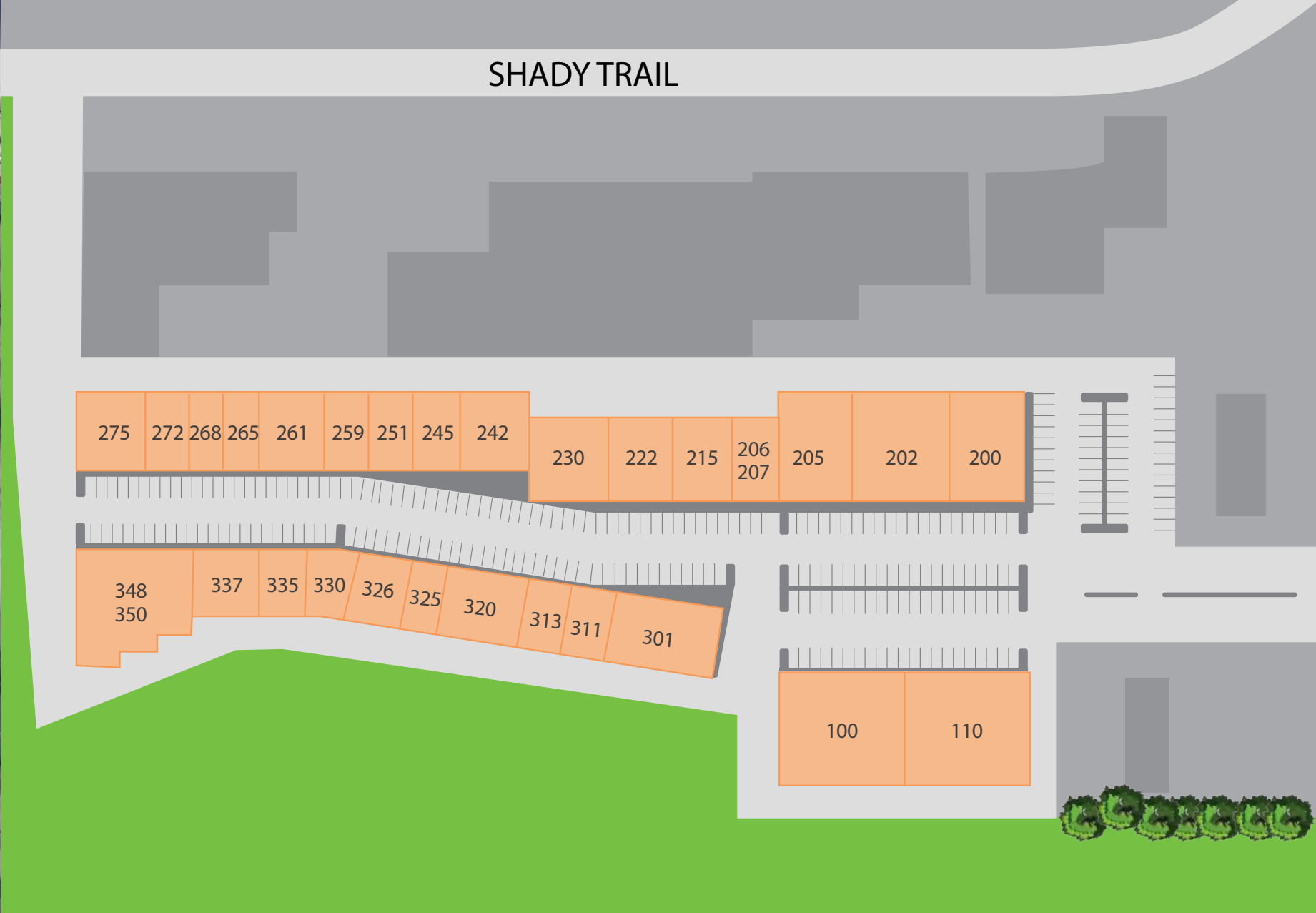
Note: Current leases structured as Triple Net are not being fully enforced by the Landlord in reference to reimbursements. This allows for upside potential for a buyer coming in and enforcing the reimbursements, which in return will increase NOI.

Marcus & Millichap

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2021 Marcus & Millichap. All rights reserved. (Activity ID: ZAC0060405)



# FLOOR PLAN







# WALNUT HILL BUSINESS CENTER

MULTI-TENANT INDUSTRIAL PROPERTY IN  
DALLAS, TEXAS





# SECTION 4

MARKET OVERVIEW

Marcus & Millichap

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DALLAS, TEXAS

# THE DALLAS-FORT WORTH METROPLEX

The Dallas-Fort Worth metroplex is one of the fastest-growing local economies in the U.S. With a population of 7.5 million residents, DFW ranks 4th among the largest metropolitan areas. Dallas is centrally located and its global connections make it an ideal environment for small businesses and major corporations. There are 24 of Fortune 500 companies call the DFW home. Seven of the largest privately held companies on the Forbes' list also are located in the metroplex. Dallas itself has 300 corporate headquarters that each employ more than 1,000 people globally (Dallas Economic Development).

Local businesses have access to a workforce of 4 million people (BLS), 32 percent of which have at least a college degree. Colleges and universities in the area enroll 342,000 students each year. The metroplex hosts over 850,000 professionals in management, finance, computing, architecture, engineering and the sciences. In addition, there are 415,000 professionals in education and healthcare services (Dallas Economic Development).

Dallas offers a high quality of life with no personal income tax. At 4 percent below the national average, the cost of living is actually relatively low unlike most large cities. Dallas is focused on expanding its transit system, which includes 62 rail stations and two more in the planning stage. The city has the largest arts district in America, 28 libraries, 80.9 million square feet of shopping, 23,000 park acres, and franchises for all the major professional sports leagues (Dallas Economic Development).

- #1 in the country for **total job growth (322,200 jobs)**
- #2 in the country for **percent job growth (9.3% growth)**

December 2015 - December 2020



Dallas-Fort Worth created more jobs than New York, Los Angeles, and Chicago, metros with much larger populations.



- 5 **Global 500 Companies**  
*Fortune, 2020*
- #2 **Fastest Growing Economies**  
*Forbes, 2019*
- 24 **Fortune 500 Companies**  
*(Charles Schwab and CBRE will join the list in 2021)*

"The industry needs a new type of company that **focuses on innovation**... We want to bring new tools and approaches in how we look at smart cities with an aim to achieve a company that doesn't exist today. We want to be a global innovator in our industry."



**Steve Demetriou**  
Chief Executive Officer

#13 of 500  
2019 Most Innovative Cities in the World

2thinknow



Best Performing Cities - Dallas

#14



2021 Milken Institute

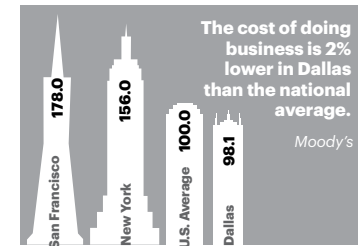
#1 **Customer Service**  
DFW

"Dallas offers a **better operating cost, lower taxes,** and is a **central location** for what is now a nationwide business...Being closer to our customers and more central to our divisions will create cost and logistical efficiency for us."

#1 **Best Airport, Size & Region**  
Dallas Love Field

Airports Council International

**Scott McPherson**  
CEO, Core-Mark



## Top 30

**Global Startup Ecosystem Rankings, 2020**

Startup Genome

3

**Top Esports Orgs in the world are located in DFW**  
Complexity Gaming  
Envy Gaming  
OpTic Gaming

## Top 100

List of the largest **green** power users within EPA's Green Power Partnership

Participant Rank

1. Google
2. Microsoft
3. Intel

21. **City of Dallas** (#2 city)
29. **DFW International Airport** (#1 airport)
- University of North Texas** (#16 university)



The DFW region adds **322 New Residents** each day

43% | 57%  
Natural Increase | Net-migration

U.S. Census, 2018-2019

"Dallas is just such a **great place** for travel, for the resources in the community, **the talent you can draw on**...[prior to relocating we] offered every single person in our company a weekend trip, and we flew them [to Dallas] with their families...That was probably part of our success."



**Brian S. Tyler**  
Chief Executive Officer

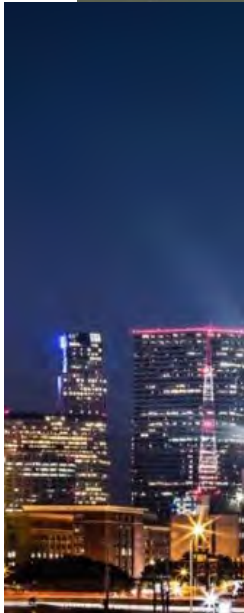
**Three Research 1 Universities**



Carnegie Classification of Institutions of Higher Education R-1: Doctoral Universities

- 3 **FORTUNE 10 COMPANIES** No other U.S. metro hosts more than one including SF and Seattle. NYC, LA, and Chicago host none.
- 3 **GLOBAL 25 COMPANIES** Only Beijing has more; No other global metro hosts more than one.

Source: [dallaschamber.org/why-dallas/dfw-facts/](http://dallaschamber.org/why-dallas/dfw-facts/)





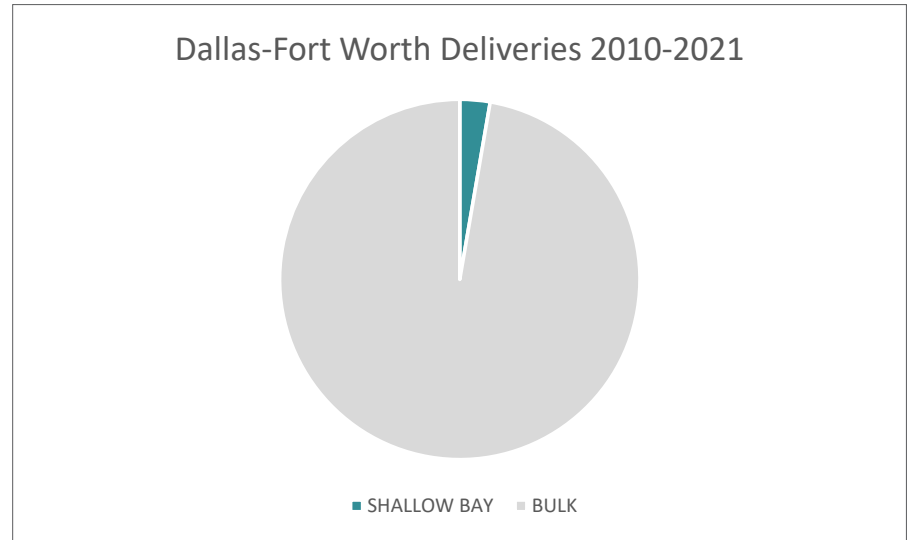
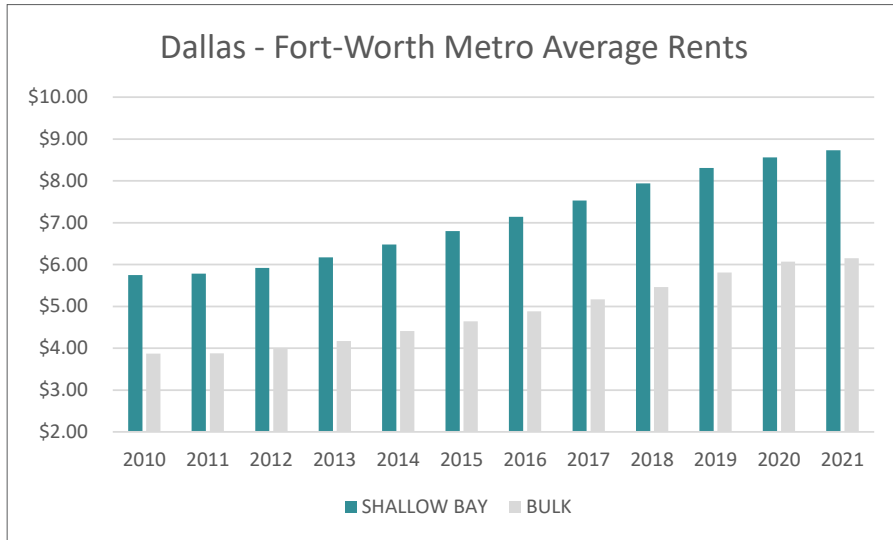




DALLAS, TEXAS

# SHALLOW BAY INDUSTRIAL VS. BULK INDUSTRIAL

Shallow Bay defined as industrial/flex buildings, 100,000 square feet and under, Class B and Class C, multi-tenant occupancy. Bulk defined as industrial/flex buildings, above 100,000 square feet, all classes, multi and single tenant occupancy.



Rents Topped Bulk Market  
**12/12 TIMES**

Total Deliveries Make Up  
**LESS THAN 3%**  
of Bulk Market

AVERAGE  
**RENT UP 52%**  
Since 2010

Rents Average  
**46% HIGHER**  
Than Bulk Market  
Since 2010

Average Deliveries of  
**482,521 SQUARE FEET PER YEAR**  
Versus 17,335,719 Square Feet for Bulk Market



## DALLAS, TEXAS

## PRIME INFILL LOCATIONS/POPULATION

**Fastest-Growing Metro in America:**

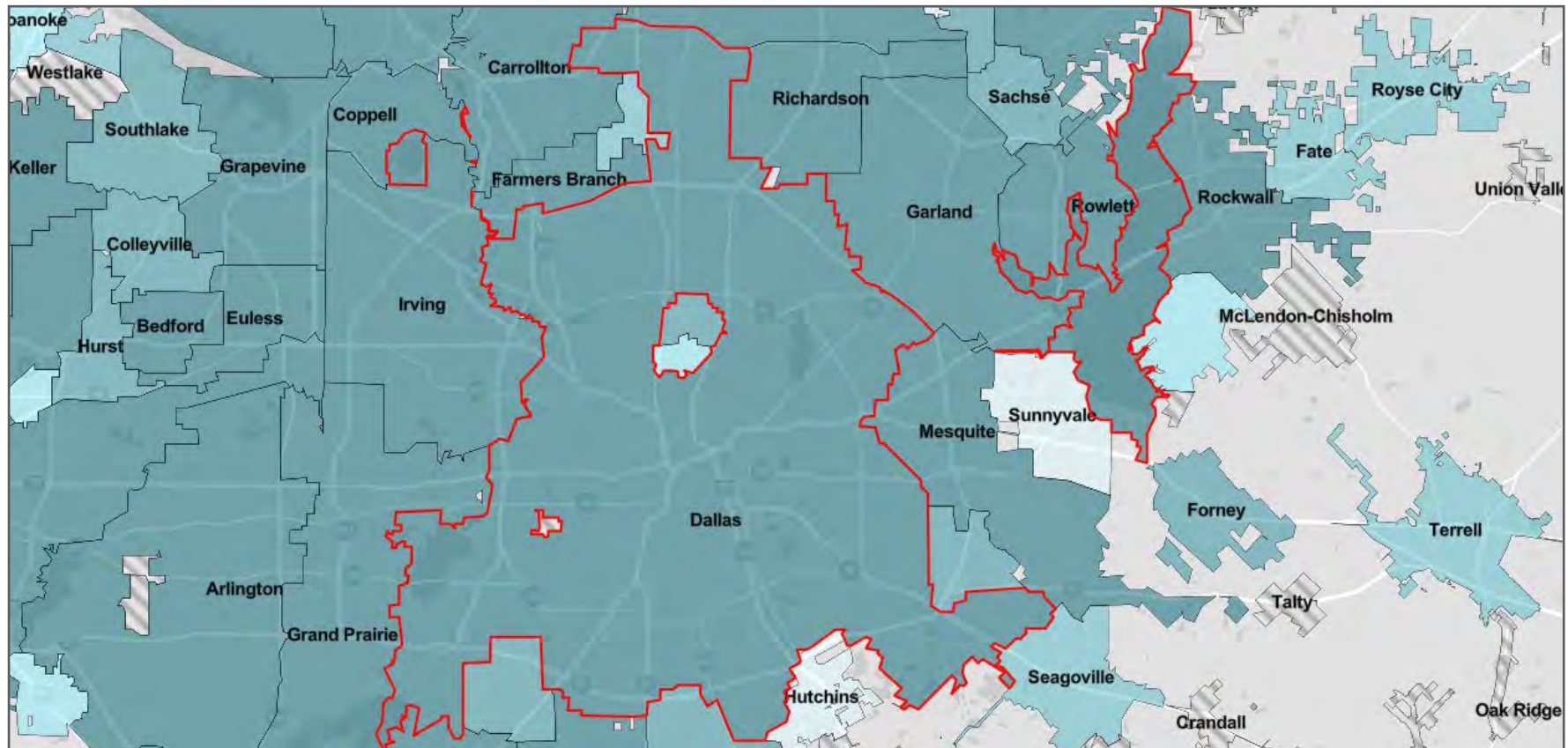
The Dallas-Fort Worth metroplex is now home to 7.5 million residents making it the 4th largest metro area in the U.S. Over the previous decade, no other metro area added more people than DFW.

**More People, More Demand:**

With the addition of new residents, comes an increased demand for industrial space. The Dallas-Fort Worth metroplex leads the nation with 36.5 million square feet of industrial space under construction.(U.S. Census Bureau).

**Valuable Stock of Inventory:**

In Q1 2021, industrial inventory in the Dallas- Fort Worth metroplex topped out at 1 billion square feet. With rents up 14.1 percent over last year, DFW's inventory stock has never been more valuable (CoStar Property).





DALLAS, TEXAS

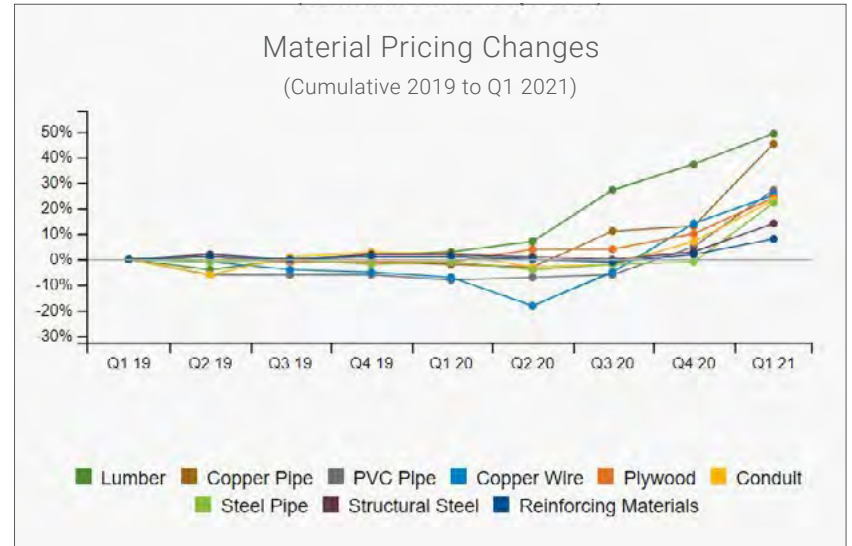
# BARRIER-TO-ENTRY: IRREPLACEABLE LOCATION AND CONSTRUCTION COSTS

Within the Interstate 635 corridor, there are less than 20 available plots of land suitable to develop an industrial property over 100,000 square feet.

With an average sale price of \$2.5 million, there is a capital intensive barrier-to-entry to develop new industrial real estate in the Dallas market (CoStar Property).

Raw material shortages and manufacturing issues are causing material costs to soar. For example, structural steel and lumber are up 12 percent and 46 percent respectively year-over-year in the Q1 2021. In turn, higher material prices are pushing up overall construction costs.

Commercial construction costs are rising at the fastest pace in over a decade creating a barrier-to-entry into developing new industrial real estate projects. Year-over-year construction costs are up 6.7 percent in Q1 2021, 290 basis points higher than the 10-year average of 3.8 percent.



Source: Mortenson <https://www.mortenson.com/cost-index>  
<https://www.mortenson.com/cost-index/chicago>



## DALLAS, TEXAS

## POPULATION GROWTH

The Dallas-Fort Worth metroplex led all metro areas in America with total population growth during the last decade. The additional 1,206,599 new residents make the DFW the 4th largest metro area in the United States.

With 268,086 new residents, Dallas County ranked 8th in total population growth from 2010 to 2019 (U.S. Census Bureau).

City of Dallas ranked 9th with the highest population growth from 2010 to 2019 with 145,915 new residents (U.S. Census Bureau).

Dallas' 12 percent population growth during the last decade has allowed the city to maintain its position as the 9th largest city in America (U.S. Census Bureau).

Top 10 Metropolitan Areas in Numeric Growth, 2010 to 2019

Rank	Metropolitan Area	April 1, 2020 (Estimates Base)	July 1, 2018	July 1, 2019	Numeric Growth	% Growth
1	Dallas-Fort Worth-Arlington, TX	6,366,537	7,455,756	7,573,136	1,206,599	19%
2	Houston-The Woodlands-Sugar Land, TX	5,920,487	6,976,147	7,066,141	1,145,654	19%
3	Phoenix-Mesa-Chandler, AZ	4,193,129	4,849,209	4,948,203	755,074	18%
4	Atlanta-Sandy Springs-Alpharetta, GA	5,286,718	5,945,303	6,020,364	733,646	14%
5	Washington-Arlington-Alexandria, DC-VA-MD-WV	5,649,688	6,247,841	6,280,487	630,799	11%
6	Miami-Fort Lauderdale-Pompano Beach, FL	5,566,274	6,143,837	6,166,488	600,214	11%
7	Seattle-Tacoma-Bellevue, WA	3,439,808	3,935,179	3,979,845	540,037	16%
8	Austin-Round Rock-Georgetown, TX	1,716,323	2,165,497	2,227,083	510,760	30%
9	Orlando-Kissimmee-Sanford, FL	2,134,399	2,574,838	2,608,147	473,748	22%
10	Riverside-San Bernardino-Ontario, CA	4,224,948	4,612,542	4,650,631	425,683	10%

Source: [www.census.gov](http://www.census.gov)

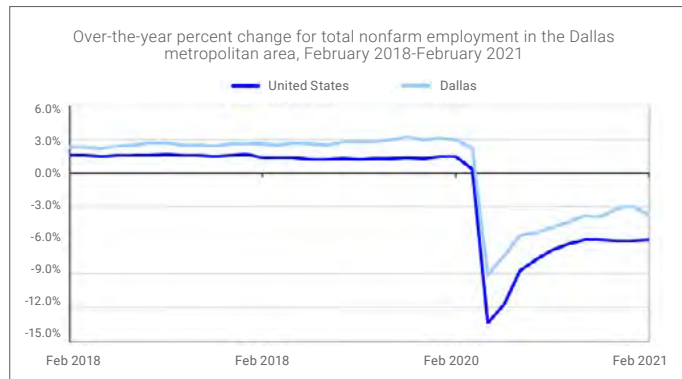


## DALLAS, TEXAS

# EMPLOYMENT GROWTH & RELOCATION

Total nonfarm employment in the Dallas-Fort Worth metroplex was only 142,900 jobs lower year-over-year in February. The 3.7 percent local rate of job loss year-over-year fared better than the 5.9 percent national average (BLS). During the two years prior to the Pandemic, the Dallas-Fort Worth metroplex averaged a 2.7 percent annual employment growth rate, which was 120 basis points higher than the national average of 1.5 percent.

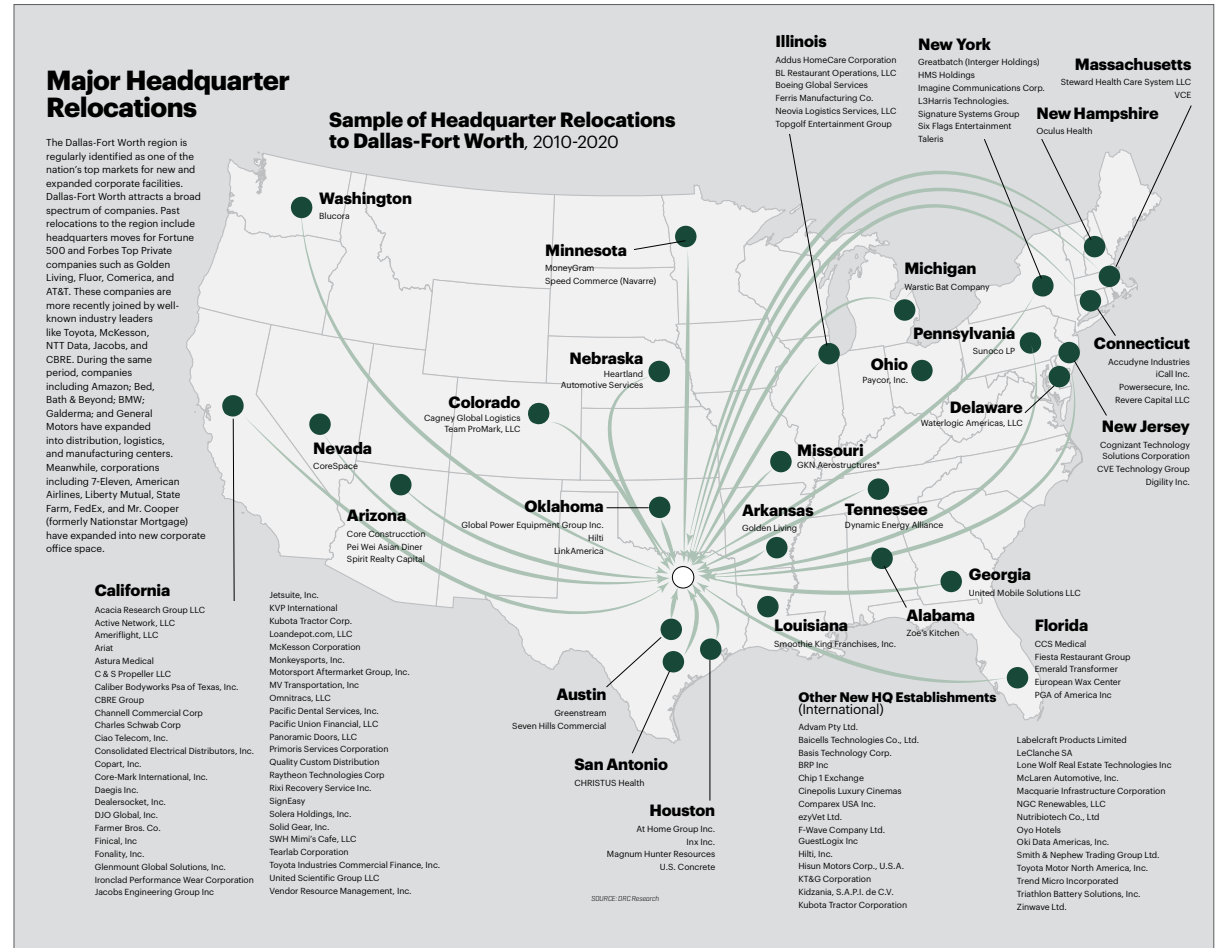
Since the start of the Pandemic, Dallas-Fort Worth metroplex annual employment loss has average 4.3 percent, outperforming the national average of 7 percent by a wider margin of 270 basis points (U.S. Bureau of Labor Statistics).



For a record 17th year in the row, Texas is named the best state for business by CEO Magazine.

From 2010 to 2020, the DFW metroplex attracted over 100 company headquarter relocations, including at least seven from neighboring Texas cities.

At least 29 international companies relocated to DFW during the previous decade (Dallas Chamber).



Source: <https://gov.texas.gov/news/post/texas-named-best-state-for-business-by-ceo-magazine-for-a-record-smashing-17th-year-in-a-row>  
 Source: <https://www.dallaschamber.org/wp-content/uploads/2021/03/BusinessEcon-MajorHeadquarterRelocations.pdf>



# 44 Fortune 1000 Headquarters in Dallas- Fort Worth (2020)

## WALNUT HILL BUSINESS CENTER

**Grapevine / Southlake / Coppell / Westlake**

Core-Mark Holding	#240
Charles Schwab +	#271
GameStop	#464
Sabre	#645
AMN Healthcare	#939
Mr. Cooper	#996

**Irving**

Exxon Mobil*	#3
McKesson*	#8
Kimberly-Clark	#175
Fluor	#181
Vistra Energy	#270
Pioneer Natural Resources	#341
Celanese	#470
Commercial Metals	#491
Michaels Cos.	#544
Flowserve	#650
Darling Ingredients	#720
Nexstar Media Group	#775

**Denton**

Sally Beauty	#653
--------------	------

**McKinney**

Globe Life	#592
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**Plano**

J.C. Penney	#286
Yum China Holdings	#361
Cinemark Holdings	#736
Rent-A-Center	#844

**Richardson**

Lennox International	#660
Fossil Group	#942

**Dallas-LBJ Corridor**

Tenet Healthcare	#174
Texas Instruments	#222
Brinker International	#745
Atmos Energy	#802
Copart	#984

**Dallas Love Field**

Southwest Airlines	#141
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**Fort Worth**

American Airlines Group	#70
Range Resources	#821

**Arlington**

D.R. Horton	#183
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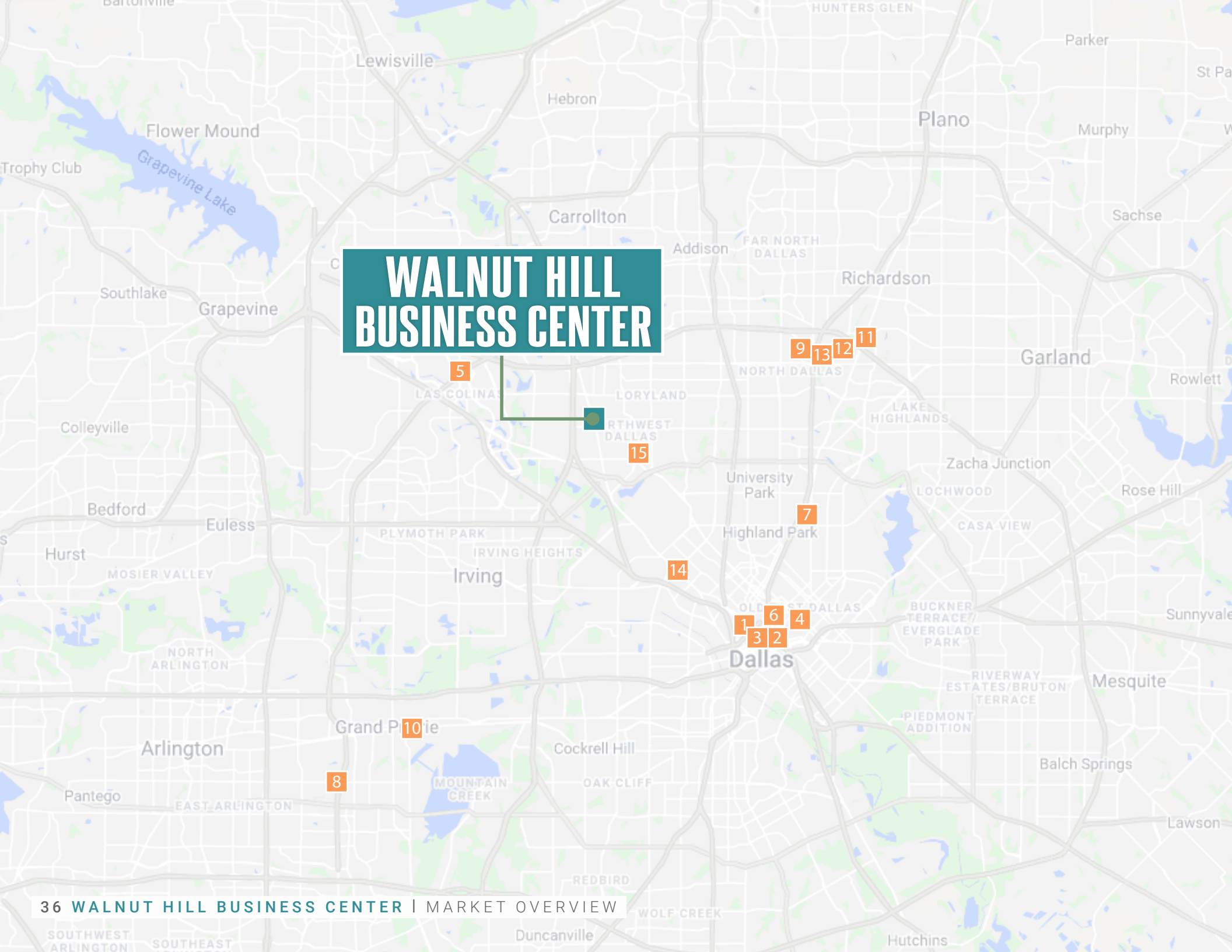
**Downtown Dallas**  
(CBD & Uptown)

AT&T*	#9
Energy Transfer	#59
CBRE +	#128
HollyFrontier	#184
Jacobs Engineering Group	#206
Dean Foods	#421
Builders FirstSource	#425
EnLink Midstream	#483
Comerica	#659
Primoris Services	#762
Trinity Industries	#781

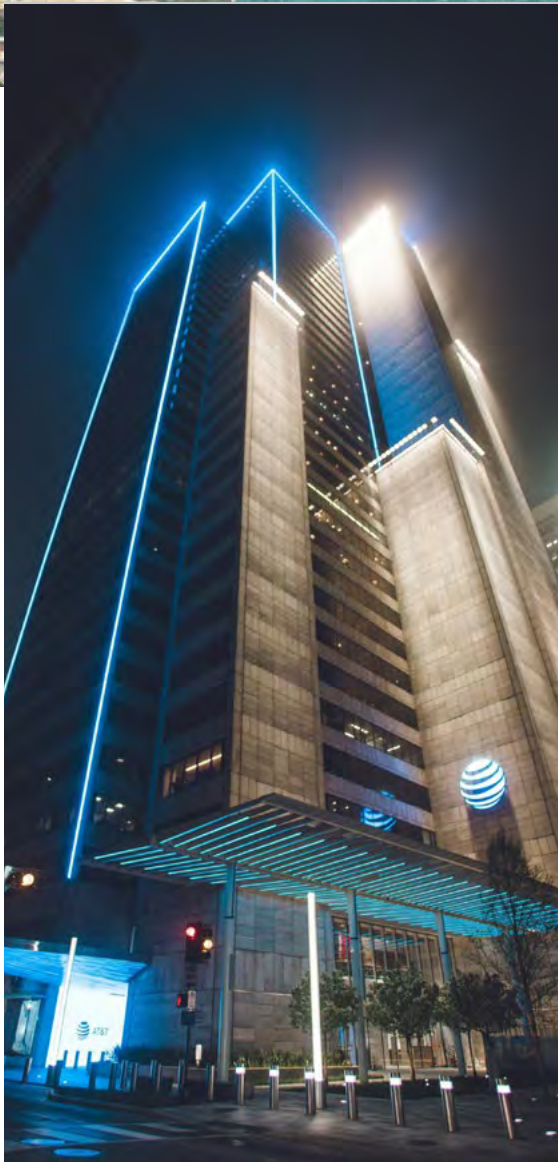
\* Fortune Global 500 Companies  
+ Announced In 2020, will be officially listed in 2021



# WALNUT HILL BUSINESS CENTER







AT&T

# MAJOR EMPLOYERS

Top Employers with 10,000+ Employees



Baylor Scott & White

## Employers

- 1 American Airlines
- 2 AT&T
- 3 Bank of America
- 4 Baylor Scott & White
- 5 HCA North Texas
- 6 JP Morgan Chase
- 7 Kroger
- 8 Lockheed Martin
- 9 Medical City
- 10 Naval Air Station
- 11 Texas Health Resources
- 12 Texas Instruments
- 13 US Postal Service
- 14 UT Southwestern
- 15 Walmart Stores



# DALLAS' IMPRESSIVE FUNDAMENTALS

WORK  
FORCE

**4TH**

Largest Workforce in the U.S.

**4 MILLION**

Civilian Labor Force

**NO**

State Property Tax  
Personal Income Tax

**8.25%**

Total DFW Sale  
and Use Tax

TAXES

**4TH**

Largest Metro  
Area in U.S.

**#1** Fastest-Growing  
Metro in U.S.

**1,206,599+**

New Residents  
Since 2010

POPULATION

**4%**

Below National  
Average Cost of Living

**#1** Largest Arts  
District in U.S.

**16MIN**

Away From DFW  
International Airport

**14MIN**

Away From Dallas  
Love Field Airport

**1/2 MILE**

Away From Walnut  
Hill/Denton DART  
Rail Station

TRANSPORTATION

QUALITY  
OF LIFE



# DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
2025 Projection			
Total Population	4,518	88,579	256,412
2020 Estimate			
Total Population	4,485	85,673	243,685
2010 Census			
Total Population	4,276	77,916	216,882
2000 Census			
Total Population	5,751	81,676	212,226
Daytime Population			
2020 Estimate	8,826	140,435	457,139

HOUSEHOLDS	1 Miles	3 Miles	5 Miles
2025 Projection			
Total Households	1,443	33,924	100,104
2020 Estimate			
Total Households	1,422	31,743	93,237
Average (Mean) Household Size	3.2	2.7	2.6
2010 Census			
Total Households	1,352	27,601	80,606
2000 Census			
Total Households	1,796	26,553	76,697

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
2020 Estimate			
\$200,000 or More	2.5%	7.2%	10.6%
\$150,000 - \$199,000	3.6%	5.9%	6.4%
\$100,000 - \$149,000	10.6%	12.3%	13.8%
\$75,000 - \$99,999	9.5%	11.3%	12.6%
\$50,000 - \$74,999	24.0%	18.8%	19.5%
\$35,000 - \$49,999	18.5%	15.3%	13.0%
\$25,000 - \$34,999	11.8%	10.6%	9.2%
\$15,000 - \$24,999	11.7%	11.3%	8.5%
Under \$15,000	8.0%	7.3%	6.4%
Average Household Income	\$64,884	\$89,512	\$107,609
Median Household Income	\$50,074	\$56,518	\$65,948
Per Capita Income	\$20,583	\$33,187	\$41,227

POPULATION PROFILE	1 Miles	3 Miles	5 Miles
Population By Age			
2020 Estimate Total Population	4,485	85,673	243,685
Under 20	32.7%	28.9%	27.4%
20 to 34 Years	23.3%	27.4%	25.7%
35 to 39 Years	7.7%	8.6%	8.3%
40 to 49 Years	13.4%	12.8%	13.0%
50 to 64 Years	14.2%	13.8%	15.4%
Age 65+	8.8%	8.5%	10.3%
Median Age	31.4	31.8	33.4
Population 25+ by Education Level			
2020 Estimate Population Age 25+	2,701	54,960	161,135
Elementary (0-8)	25.0%	23.1%	14.8%
Some High School (9-11)	10.2%	11.3%	8.7%
High School Graduate (12)	24.7%	17.8%	17.7%
Some College (13-15)	15.0%	13.9%	14.8%
Associate Degree Only	5.8%	4.1%	4.4%
Bachelors Degree Only	13.2%	19.5%	23.8%
Graduate Degree	6.2%	10.3%	15.7%
Time Travel to Work			
Average Travel Time in Minutes	25.0	26.0	24.0

Source: Marcus & Millichap Research Services





# WALNUT HILL BUSINESS CENTER

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