



Balch Springs 635 Logistics Center and The Preserve

Balch Springs 635 Logistics Center and The Preserve is a master planned development consisting of two separate projects that combined will include a two building 21,500 square foot retail center, a 50-unit townhome complex, and an institutional grade 482,400 square foot Class A warehouse logistics building. The proposed project is located on 30.9 acres near the intersection of Elam Road and Pioneer Road with frontage along both streets, 664 feet and 800 feet respectively. The retail and townhomes project will be located on 7.22 acres fronting Elam and the logistics building will be developed on the 23.68 acres fronting Pioneer.

The Preserve Townhomes and Shops at The Preserve Overview

The retail and townhomes project will include retail along Elam and a townhome community behind. Our goal is to break ground spring 2022. Along Elam will be The Shops at The Preserve which will include two retail buildings totaling 21,500 square feet. Features include multi-tenant storefronts with 3 potential drive through lanes to attract traditional drive through tenants such as Starbucks and users new to drive through such as Chipotle, Panera Bread, Shake Shack, and even 7-Eleven. The non-drive thru retail will be focused on neighborhood retail and service tenants.

Behind The Shops at The Preserve and screened by landscape will be The Preserve, a 50-unit for sale townhome community with 2 to 3 bedrooms per unit, an average square footage of 1670 square feet, a two-car garage, and private yards. The shared recreation areas include an outdoor fire pit, playground, dog park, and treed rear area screening the community from the adjoined logistics center development.

Balch Springs 635 Logistics Center Overview

We anticipate purchasing the land for the logistics center shortly after a planned development for project is approved by Balch Springs City Council. Our goal is to purchase the land before the end of the year and break ground in spring 2022. Historically our developments have served business such as ecommerce facilities, logistics, light assembly, service companies, and light manufacturers. Tenants who have leased buildings we have developed include Amazon, Anderson Windows, Berlin Packaging, Ericsson, Fossil, Foxconn, GE, Goodman Air Conditioning and Heating, Tellworks Logistics, McKesson, Midwest Air Technologies, PGA Golf, UPS, Walmart, William Sonoma, and Wayfair.

It is difficult to estimate the total economic impact of our project due to their speculative nature. We expect the total cost of this project to be \$43,000,000 to \$50,000,000. The total cost as well as the additional inventory that can far exceed the cost of the project depends on the customer or customers we attract. Assuming the assessed value of the project is in line with cost expected tax to the City of Balch Springs is \$345,000 - \$402,000 plus inventory taxes which can exceed the value of the building. The same goes for the number of jobs. We are in



early discussion with a Fortune 500 company to lease over 60% of the proposed building, but they have not shared the expected number of jobs. Until we secure a customer it is difficult to estimate the number of jobs this project will create, it will likely be anywhere from 100-250 new jobs.

In terms of average income per job while Amazon likes to advertise a minimum wage of \$15 per hour; according to Jones Lang LaSalle the average warehouse employee in the DFW metroplex makes nearly \$17 per hour.

The majority of land is currently zoned single family residential, and a small portion fronting Elam is zoned commercial. The projects are intended to complement each other but will be developed under two separate planned developments by separate developers. Beam Real Estate will oversee the retail and townhomes and Falcon Commercial Development will develop the logistics center.

We understand the neighborhood to the west of this project may have some concerns about the project. In addition to building a masonry wall along or near any property line shared with the rear fence of a home we have included a landscape buffer to ensure the logistics facility is at least 80 feet from the property line of anyone's back yard. Additionally, we have designed the project in a manner to keep the internal truck traffic further away from the homes. On similar past projects, where we initially encountered some skepticism, we have gained our neighbors support and eventual praise for following through with our commitments.

We have also learned some of the homes abutting this property flood. As part of our drainage study for the planned developed we intend to investigate this. We suspect we can cure this problem and intend to do so if we are able. Additionally, we intend to improve the one lane of Pioneer in front of the property that is in disrepair. If requested by the City of Balch Springs, the developer will construct a traffic signal at the interchange of Elam Road and Pioneer Road.

Enclosed are site plans for both projects, a rendering of the logistics buildings and photos of similar masonry walls we have installed.











