

Special Features

A View From The Field: Stemmons Freeway

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Sharon Friedberg is Vice President Office Marketing for Bradford Companies. She is directly involved in business development and project leasing services. Sharon brings a broad spectrum of skills to the team at Bradford.

After graduating with her Masters of Science from UT Austin and NTSU, Sharon began her career as a Speech Pathologist in the Richardson Independent School District. Her first venture into sales was as a sales representative and later a sales manager and trainer for the NCH Corporation, a manufacturer of industrial maintenance products. She entered the commercial real estate arena in 1998 at Fischer & Company. Her role there included business development as well as representing tenants both regionally and throughout the United States. While there she developed and worked transactions for many high profile electronics and technology companies.

A forgotten market? ... Some would agree. The Stemmons submarket did not even make the radar screen at the yearly NTCAR office reporting breakfast. This lack of mention seems indicative of the generally held consensus that the Stemmons market remains uninteresting and unchanged. Those of us who concentrate in this market know a different truth.

Deal flow, both large and small, both local and national is on the upswing. With the Stemmons market's vacancy rates still in the 30% range, compared with a reported citywide vacancy rate of 19.7%, any activity is encouraging. Landlords are running their usual traps by concentrating on renewing tenants and attracting new ones with low rents, rental abatement and generous tenant improvement allowances. These seem to be paying off as demonstrated by Aetna's recent renewal of 159,185 square feet at Stemmons Place. A few other large deals of note are also floating around that would be positive absorption in the Stemmons submarket. Home Land Security, 70,000 square feet, is looking to relocate and expand and Child Protective Service's has a requirement for 50,000 to 100,000 square feet, as well as The Federal Bureau of Prisons search for 30,000 square feet of new space.

As with the rest of the Dallas Ft. Worth market, office investment activity in Stemmons submarket remains strong. One of the newest players is Diversified Capital, out of Lakewood New Jersey, recently adding 7610 Stemmons Freeway to their earlier acquisition of 1111 Mockingbird. Re-branding it as Brookhollow Place, they have committed major dollars to making their buildings the premier buildings in the Stemmons market by focusing on improvements in safety, beautification and functionality. Brookhollow Place recently benefited from Trae Anderson's, of Corporate USA, attention to the market. He made a literal midnight run to relocate the VNA when he heard word of their building fire at 1440 Mockingbird Lane. Brookhollow Place welcomed them on a temporary basis and is rolling out the red carpet to make the move permanent.

As is the norm in Dallas, Stemmons will benefit from the uptick in the rest of the market. Specifically as activity increases in Las Colinas, as it has reportedly done over the last quarter, Stemmons will experience some natural over-flow. What draws tenants to this market continues to be its proximity to both DFW and Love Field airports, accessibility to major arteries such as Stemmons Freeway, John Carpenter Freeway, Airport Freeway, and LBJ along with the North Dallas Tollway, as well as the opportunity to seize spaces at below market bargain rates. Though occupancy rates have an uphill battle to compete with the rest of Dallas, those of us who live and breathe this market think it is an idea whose time has come.