

COVERING COMMERCIAL REAL ESTATE IN TEXAS
TEXAS
REAL ESTATE
BUSINESS™



**REACH
 MORE**

[HOME](#)

[ARCHIVES](#)

[SUBSCRIBE](#)

[AD SPECS](#)

[ADVERTISE](#)

[PAST ISSUES](#)

[CONTACT US](#)

[RESOU](#)

TEXAS SNAPSHOT, JUNE 2006

Dallas Industrial Market

The Dallas/Fort Worth (DFW) Airport area remains the darling of area developers, according to Kevin Santaularia, president and CEO of Bradford Companies/CORFAC International. "Majestic, Hillwood, Opus, Trammell Crow Company and several private firms have active projects near the airport," he says.

The DFW Airport and Stemmons Freeway Corridor, combined with the Great Southwest, represent a base of 300 million square feet of industrial property. "This location lends itself to logistics benefits, accesses the northern suburbs employee driver and is attractive to capital sources," Santaularia says.

More than 5.6 million square feet was under development in the first quarter of this year compared to 2.2 million square feet in the first quarter of 2005. "Since overall vacancy has declined from 12.9 percent (first quarter 2005) to 11.8 percent (first quarter 2006), developers are ramping up their concrete mixers for renewed growth and absorption in the DFW area," Santaularia says. "Traditionally, we absorb more than 10 million square feet in the Metroplex annually. It appears we are returning to the norm. In this light, development is broad across many submarkets."

Property owners in the Metroplex are trying to attract several different types of tenants, depending on where they are located in the market. "Bulk distribution and service-center property represent demand needs around the airport," Santaularia says. "Technology and medical distribution uses are more prevalent in the Northeast Corridor."

With rental rates ranging from \$2.75 to \$3.50 per square foot and the vacancy sitting at 10 percent, heading into the single digits, the demand for industrial space in Dallas is on the rise. "The demand for warehouse space has reappeared in the DFW area since late last year," Santaularia says. "Space is being absorbed and tenants are competing for the same property for the first time since the late 1990s."

As for the future of the Dallas industrial market, land is in short supply in the DFW Airport area and northern suburbs, according to Santaularia. And, while many eyes are focused on the Interstate 20 Corridor (the southern sector), the question remains if tenants will follow.

— *Kevin Santaularia is president and CEO of Bradford Companies/CORFAC International.*

©2006 France Publications, Inc. Duplication or reproduction of this article not permitted without authorization from France Publications, Inc. For information on reprints of this article contact [Barbara Sherer](#) at (630) 554-6054.

[Requirements](#)
[News Sec](#)

[Snap](#)

[Editorial Cale](#)

[Upco](#)
[Resource Gi](#)

[Search Real E](#)

[Se](#)

REBUSINESS
ONLINE

Today's Real E

visit our
 national
 real estate
 web site

REBUSINESS
ONLINE

- regional news
- market reports
- auctions
- 1031 information
- net leases
- job bank
- industry events