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Project Set for Southern Sector

By Margaret Allen

A California investment company is buying 2,600 acres of raw land in fast-growing southern Dallas County, for what is believed to be the first major industrial development deal sparked by the massive, rail intermodal facility just opened by Omaha-based Union Pacific Corp.

Privately held The Allen Group, based in Carlsbad, Calif., will develop much of the land for its soon-to-be-announced Dallas Logistics Hub, said Edward Romanov, president of The Allen Group.

Assuming build-out over several decades, the 26 parcels of land around Interstate 45 in the towns of Wilmer, Hutchins, Lancaster and Dallas County can accommodate 40 million square feet of industrial development worth \$1.4 billion in today's valuation, Romanov said.

Good prospects

Several factors attracted The Allen Group, he said. Union Pacific Railroad Co., the nation's largest railroad, earlier this month opened its 342-acre intermodal facility, the largest U.S. facility built this decade.

The group is also optimistic about regional plans to establish an inland port to handle increased international freight movements into the United States through the Port of Houston and up Interstate 45 to Dallas-Fort Worth for distribution nationwide.

The Allen Group is buying the land from longtime real estate investor Myron Goff. The group has closed on an 82-acre parcel on Cleveland Road across from a new 330,000-square-foot Federal Express ground distribution hub in Hutchins. The

Allen Group will close in a few days on 24 acres off Evergreen Road and I-45. The remaining acreage will close in about five months, after major engineering studies are complete, Romanov said.

Financial terms were not disclosed.

The Allen Group specializes in what it describes as high-end office and industrial real estate. The Dallas Logistics Hub will house major distribution centers, warehouses and rail-served facilities, Romanov said.

UP's intermodal rail facility sits south of Dallas on the west side of I-45, just south of Interstate 20. The north half of the massive yard sits in the small town of Hutchins, while the south half sits in the small town of Wilmer. The facility is now operating at 80% capacity and will ramp up to 100% by the end of the year, said Thomas Lauer, city administrator for Wilmer.

The Allen Group land sits west and east of I-45, Romanov said.

Wilmer, a town of only 3,600 residents, has determined that potential industrial development sparked by the intermodal yard could be worth up to \$30 million in tax revenue for the community over the next 10 to 15 years, Lauer said.

"This used to be a small sleeper town of 900 rooftops and 10 to 12 businesses," he said. "Pretty soon it's going to be the center point of growth for all of North Texas."

About 70% of Hutchins is developed, while only 20% of Wilmer's land is taken.

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