

Plano's \$3 billion Legacy West is being built in less than half the time expected

Written by

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Developers building Plano's \$3 billion Legacy West project say it has happened in less the half the time of their most optimistic projections.

"When we started, our aggressive forecast was six years, moderate was seven and the conservative was nine or ten years to build it," said Steve Van Amburgh, CEO of developer KDC, one of the partners in the 255-acre project. "We have 11 acres left in less than 2.5 years."

Legacy West's developers on Wednesday showed the project off to commercial real estate execs from around the country in Dallas for a meeting of the Urban Land Institute, the industry's largest trade group. The mixed-use development at the southwest corner of the Dallas North Tollway and State Highway 121 is the biggest real estate project under construction in Texas with more than 5 million square feet being constructed at once..

New corporate campuses are being developed for Toyota, JPMorgan Chase and Liberty Mutual Insurance.

"Legacy West if it is not number one in the U.S., it's somewhere up there," Van Amburgh said. "This is truly a unique, unusually large and successful project.

"It just so happened at the time we put the venture together, a lot of big companies were looking," he said. "It doesn't happen very often."

Developers Karahan Cos., KDC and Columbus Realty kicked off development on Legacy West just over two years ago.

The first business - FedEx Office - has already moved into the development.

"There will be 21,000 people working in Legacy West by the end of next year," Columbus CEO Robert Shaw said.

He's already begun leasing the first of 800 apartments under construction in the project.

"We are killing it - knocking it out of the park," Shaw said. "We are having a great lease up already and the jobs are not there yet."

The first shops and restaurants will open in March.

The developers say they almost totally redesigned the huge project when Toyota decided two years ago to relocate its North American headquarters from southern California to Plano.

"Toyota was the one that was sort of the game changer," Van Amburgh said. "The minute they announced it woke up all these corporate groups.

"If they are going to have first class facilities and retain and recruit employees they need to be in the same type of location," he said. "That's what happens when somebody like Toyota comes to town - it creates a tremendous amount of economic development in a hurry."

The builders made Legacy West more dense and added more retail and apartments after Toyota landed.

"Once we knew we had this many blue chip companies coming to our development we decided to alter our retail plans," Karahan said. "Before we didn't have this big of a retail component.

"We made it more modern and dense."

He said retailers are paying comparable rents to Dallas' Uptown district.

"We haven't signed any leases less than \$50 per square foot," Karahan said. "Some of them are in the \$60s.

"These are rental rates we would not have thought we'd achieve in that market but we are."

Karahan said he does not consider Legacy West as a suburban project.

"What we created is an urban destination - that's what attracted all these companies," Karahan said.

He met this week with the global real estate exec for Chase who toured the development site.

"He said tell me how many minute walk from my front door to the food hall you are building," Karahan said. "He wanted to know - that was most important."

He doesn't think Legacy West will be impacted other mixed-use projects in the works further north on the tollway in Frisco's so called \$5 billion mile.

"Some of the announced projects I highly doubt will happen," Karahan said. "Everything you see on that rendering for Legacy West is being built."

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