

DALLAS - FORT WORTH REAL ESTATE

REVIEW

CYPRESS WATERS

ANATOMY OF A DEAL

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Fall 2014



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Billingsley

CYPRESS WATERS MASTER PLAN



DALLAS - FORT WORTH REAL ESTATE REVIEW

ANATOMY OF A DEAL CYPRESS WATERS

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Billingsley Company: We partner in creating life-enhancing communities

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ON THE COVER:
"HERO'S HORSE," A 25-FOOT-TALL PEGASUS SCULPTURE BY KEVIN BOX, MARKS THE ENTRANCE TO CYPRESS WATERS. PHOTO BY MICHAEL SAMPLES.





CREATING A LAKESIDE LEGACY

BY KAREN NIELSEN

Billingsley Co. has overcome huge hurdles in making Cypress Waters a reality—from dealing with multiple jurisdictions to a lack of infrastructure to lawsuits. Now, after 10 years, all that hard work is finally paying off.



GOOD FULTON & FARRELL ARCHITECTS

Developer Lucy Billingsley and her husband, Henry, first began eyeing land around North Lake in the 1990s. The large suburban tract had a terrific location—just minutes from Dallas-Fort Worth International Airport, nestled between Irving and Coppell.

“We always said this is a great property if there ever was a moment we might be able to get involved with it,” says Lucy Billingsley. “Finally, that moment came.”

The Billingsley Co. partners began assembling land in the area in 2003, eventually amassing 1,000 acres along a 362-acre lake. It’s

here that they’re developing Cypress Waters.

The vision is to create a “really great place to live, starting today and going into the future, and a great place to work,” says Billingsley, who describes the community as sophisticated but casual, high-energy yet relaxed, and immersed in nature. At full buildout, she expects 26,000 people on-site during the day and nearly as many in the evening. It’s a place where people can work, live, and play, and have their children attend excellent schools.

When all is said and done, Cypress Waters, which fronts LBJ Freeway and Belt Line Road, will include 4.5 million square feet of

“IT’S AN OUTSTANDING PROJECT FOR DALLAS. IT’S A LONGER-TERM PROJECT IN THE SENSE THAT BENEFITS WILL BE REAPED OVER THE NEXT 25 TO 30 YEARS, BUT IT HAS VERY, VERY GOOD BENEFITS FOR US.”

—KARL ZAVITKOVSKY, CITY OF DALLAS



office and retail space, 10,000 multifamily residences, three schools, parks, trails, and a lakeside town center.

With development well underway, most people are unaware of the major roadblocks the Billingsleys had to overcome. For one, the undeveloped property lacked basic infrastructure, such as roads and utilities. And although most of Cypress Waters is officially in the city of Dallas, it’s smack dab in the middle of Coppell Independent School District, with a southern strip situated in Irving.

When word began leaking out about plans for Cypress Waters, the city of Coppell and the Coppell ISD filed lawsuits, concerned about the potential negative impact the project could have on city operations and schools.

There was also the matter of hashing out who was going to pay for what—not an easy thing, with so many parties involved, says Karl Zavitkovsky, director of economic development for the city of Dallas. In 2009 and 2010, respectively, Dallas created two taxing districts for the development, including a municipal management district and a tax increment financing district. Both entities are designed to help pay for infrastructure development, while the MMD allows for bonds to be sold later. Dallas remains responsible for providing police, fire, and emergency services.

Already the Cypress Waters TIF District’s assessed tax value has increased by a whopping 14,171 percent from 2010 to 2013, according to the Dallas Central Appraisal District. The goal is to create additional taxable value of \$2.2 billion over the TIF’s 30-year life.

“It’s an outstanding project for Dallas,” Zavitkovsky says. “It’s a longer-term project in the sense that benefits will be reaped over the next 25 to 30 years, but it has very, very good benefits for us.”

KEY PLAYERS

DEVELOPER: Billingsley Co.

MASTERPLAN DESIGN:

Loonie Ricks Kiss Architects
[original plan], Space Between
[current iterations]

LANDSCAPE ARCHITECT:

Studio Outside and SMR
[Cheddar’s and 7-Eleven]

MULTIFAMILY ARCHITECT:

WDG Architecture Dallas PLLC

OFFICE ARCHITECTS:

Omniplan, Corgan, and Good
Fulton & Farrell

RETAIL ARCHITECT:

O’Brien Architects

GENERAL CONTRACTORS:

Westwood Residential, Alston
Construction, and McFadden &
Miller

LEAD OFFICE TENANTS: 7-Eleven

Inc., Cheddar’s Casual Café,
Meritage Homes, and Nationstar
Mortgage

TENANT BROKERS:

Avison Young, JLL,
Swearingen Realty Group

OFFICE LEASING AGENTS:

Younger Partners

RETAIL LEASING AGENTS:

Venture Commercial

LEGAL: Thompson & Knight,
Carrington Coleman, Williams
Anderson Ryan + Carroll LLP

**FINANCING FOR VARIOUS
COMPONENTS ARRANGED FOR
AND PROVIDED BY:** HFF, JLL,

Texas Capital Bank, Regions
Bank, Wells Fargo, Synovus,
Bank of America

OTHER KEY PLAYERS: Pritchard

& Associates, Kimley-Horn
& Associates Inc., Binkley &
Barfield, City of Dallas, Dallas
County Commissioners Court,
Dallas City Design Studio, City
of Irving, City of Coppell, Coppell
Independent School District

AN ISLAND OF LAND

Cypress Waters was one of the last remaining large chunks of undeveloped land in Dallas County, and it sat idle for many years. Dallas annexed the 3,000-acre piece of remote property in the 1950s, and North Lake was created to support a power plant, now owned by Luminant. Throughout the years, the property was used as a public lake and recreation facility, but its zoning remained agricultural until the Billingsleys came along.

"It's a very unique area," says Rick Loessberg, director of planning and development for Dallas County. "We've got this ability to go in and do it right and have it be good for upscale housing and office and mixed use."

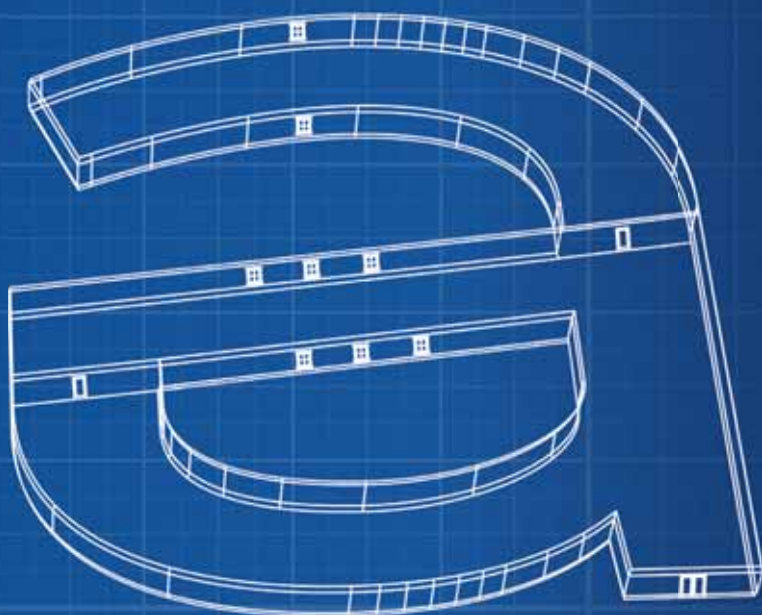
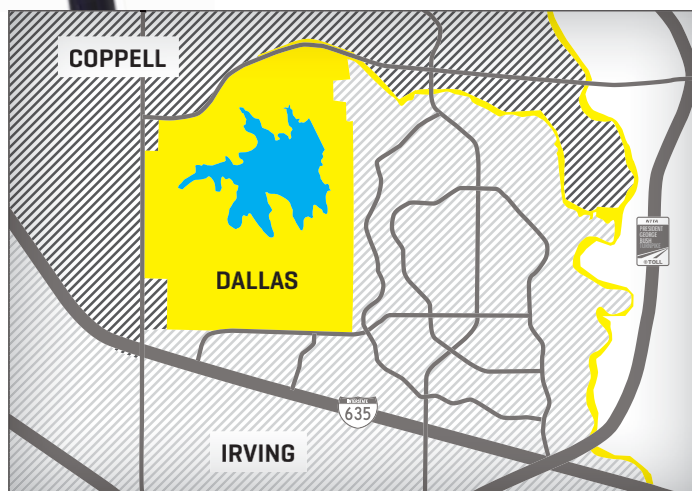
Short of Joe Pool and White Rock lakes, there aren't many areas with water features like North Lake, he adds.

Cypress Waters is "a huge development of land that most people didn't even realize was in Dallas," says Mary Poss, a member of both Cypress Waters' TIF and MMD boards. "It is a whole new tax base, and any time you create a new tax base, money is available for all parts of the city," says Poss, former acting Dallas mayor and City Council member.

There's no lingering animosity about Cypress Waters, says City Manager Clay Phillips, but questions remain about the development's outcomes and long-term impact. Although it's not Coppel's obligation to provide services such as police and fire to other cities, there are concerns about how the influx of people will affect ancillary services such as libraries, recreation sports leagues, and roads.

FAR-REACHING DALLAS

Most of Cypress Waters lies within the city limits of Dallas, which annexed the property in the 1950s. The island of land is surrounded by Irving and Coppel.



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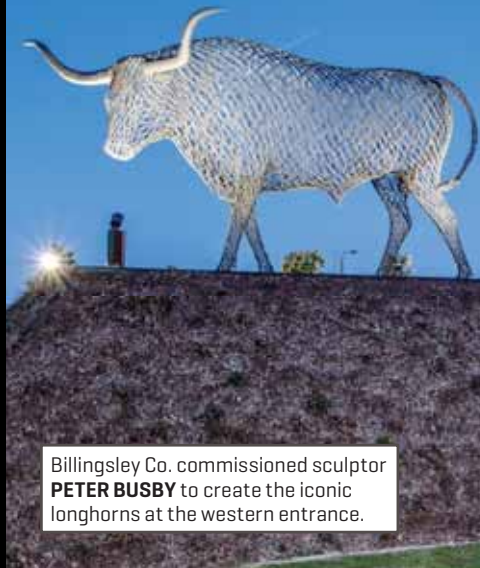
UPON COMPLETION,
CYPRESS WATERS IS
EXPECTED TO CONTAIN

**4.5 MILLION S.F.
OF OFFICE AND
RETAIL SPACE**

**10,000
MULTIFAMILY
RESIDENCES**

**THREE
SCHOOLS**

A ANATOMY OF A DEAL



Billingsley Co. commissioned sculptor **PETER BUSBY** to create the iconic longhorns at the western entrance.

“It’s yet to be seen how it will be handled, but having said all that, we’re working well with the Billingsleys,” Phillips says. “We definitely want to be good neighbors to both Dallas and Irving, and at this point we’re managing to ensure we don’t absorb or inherit obligations that we should not on behalf of our taxpayers.”

Phillips adds that in five to 10 years, Coppell and its residents will likely benefit from the additional retail options at Cypress Waters, as well as development that occurs near the project. This fall, a new CISD school, Richard J. Lee Elementary, opened within Cypress Waters.

During the tenuous years with Coppell, Lucy Billingsley remembers then CISD Superintendent Jeff Turner saying one day they’d all be friends.

“I thought, ‘Like hell we are. I’m mad,’” Billingsley says. “But he was right. The reason we all got over it is because everyone had something they cared deeply about. We resolved the conflict, and we all still have things we care deeply about—just now they’re in concert.”

TAKING SHAPE

DEVELOPMENT MILESTONES

MAY 2003:

Southwestern parcels acquired

SEPTEMBER 2004:

Southern parcels acquired

DECEMBER 2006:

South shoreline parcels acquired

JANUARY 2006:

Initial zoning approval [MMD/TIF]

OCTOBER 2008:

Northern parcels acquired

JUNE 2010:

Zoning updated and finalized

JANUARY 2012:

Begin Infrastructure and residential development

APRIL 2013:

Work begins on the first spec office building

JUNE 2013:

Multifamily residents begin moving in

FEBRUARY 2014:

Cheddar’s announces headquarters move to Cypress Waters

APRIL 2014:

7-Eleven announces headquarters move to Cypress Waters

SEPTEMBER 2014:

Nationstar Mortgage takes occupancy of its new headquarters; Meritage Homes signs lease in the development’s first spec building



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7-Eleven's new Cypress Waters headquarters was designed by Dallas-based **CORGAN**, the same architecture firm that designed its current home, One Arts Plaza.



7-ELEVEN'S NEW HEAVEN

The home of the Slurpee has a brand-new home of its own— in Cypress Waters.

BY CHRISTINE PEREZ

Along with the giant sculptures that mark the southern and western entrances, one of the first things visitors will see at Cypress Waters is a bold new headquarters for 7-Eleven Inc. Designed by Corgan—the same firm that designed the company's current home at One Arts Plaza—the 300,000-square-foot campus will sit on the north side of Interstate 635 just east of Belt Line Road in Irving.

7-Eleven's decision to move to the suburbs was big news when the story broke this past spring. After all, the world's largest convenience store operator had been based in Dallas since the late 1920s. For years, it was the lead tenant in Cityplace along North Central Expressway. Then in 2005, it signed a 15-year lease for 240,000 square feet in One Arts Plaza. Developed by Billingsley Co., the 24-story tower was the first big office play in the Arts District and the first high-rise developed in downtown Dallas in nearly 20 years.

It was an exciting move, but as the years went on, the company's needs began to change. It required more space—and more parking—and expanding within One Arts Plaza was not an option. Fortunately, Billingsley Co. had other possibilities within its portfolio. The developer wanted to be able to accommodate its tenant's expansion needs, and with strong demand for office space in the Arts District—and rapidly appreciating rental rates—it felt confident it could find another user to lease the space.

Cypress Waters was an appealing alternative for 7-Eleven. It gave the company the opportunity to be in a single-tenant facility with plenty of parking and room for growth. The development's central location within the region, making it a convenient commute for employees all over, was another key reason 7-Eleven decided to move, says Lucy Billingsley, partner at Billingsley Co.

Although the deal was in the works for months, it stayed quiet in the market as

no brokers were involved. The transaction was negotiated directly by the landlord, the tenant, and the city of Irving.

When 7-Eleven decided to move to One Arts, Dallas supported the company with an incentives package. For 7-Eleven to cut out early, Irving had to be willing to take over that commitment. In an 8-1 vote, the Irving City Council approved just that, agreeing to a \$10 million package in tax breaks for both 7-Eleven and Billingsley.

The prestige of securing a headquarters for a global brand like 7-Eleven showcases the city's pro-business environment, says Beth Bowman, president and CEO of the Greater Irving-Las Colinas Chamber of Commerce. "It makes Irving a natural decision for other top executives looking to relocate their companies," she says. "We also see this as a creation of job opportunities for our residents, which will help our city maintain its low unemployment rate."

7-Eleven's relocation is expected to create as many as 1,250 jobs in Irving and generate \$10 million in tax revenue for the city and \$15 million in annual taxable sales.

KEY PLAYERS

DEVELOPER:
Billingsley Co.

ARCHITECT:
Corgan

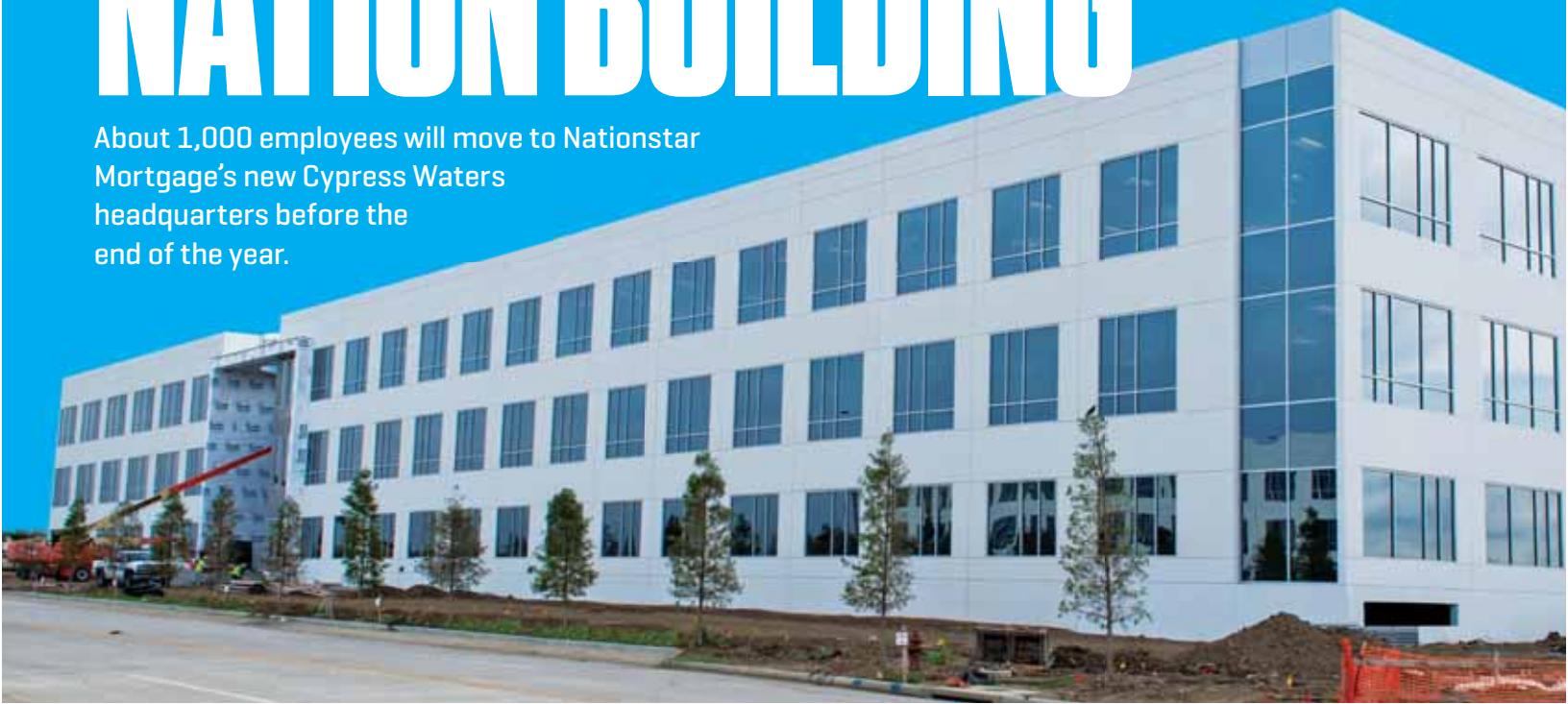
LANDSCAPE ARCHITECT:
SMR

GENERAL CONTRACTOR:
Alston Construction

INCENTIVES:
City of Irving

NATION BUILDING

About 1,000 employees will move to Nationstar Mortgage's new Cypress Waters headquarters before the end of the year.



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CYPRESS WATERS



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CITYLINE

BY CHRISTINE PEREZ

One of the first companies to catch the vision for Cypress Waters was Nationstar Mortgage Holdings Inc., which will take occupancy of its new 175,585-square-foot headquarters within the development before the end of the year. The move allows the company to trim its five North Texas locations to four—with the flexibility to consolidate even more in the future, says John Hoffman, Nationstar’s senior vice president of corporate communication.

Initially, about 1,000 employees will move to Cypress Waters. “It’s definitely going to help us improve communication by bringing us together,” Hoffman says.

The development’s central location within the region and environmentally friendly approach were other key considerations.

Designed by Omniplan, the Cypress Waters office building provides an efficient environment, with an open-space layout and plenty of meeting and collaboration areas.

When Nationstar’s predecessor company moved to Texas in 1997, it made its home in Dallas. “For the past decade or so, we’ve been in Lewisville, which has been a wonderful community for us,” Hoffman says. “Now, though, we are extremely excited about returning to Dallas with our move to Cypress Waters. As we move to this dynamic new campus, we’re going home—and we couldn’t be happier.”

HEADQUARTERS PARK

Of the four big office deals inked so far at Cypress Waters, all are headquarters operations:

NATIONSTAR MORTGAGE HOLDINGS INC.
175,585 s.f.

7-ELEVEN INC.
300,000 s.f.

CHEDDAR’S CASUAL CAFE
31,450 s.f.

MERITAGE HOMES
[regional headquarters]
15,760 s.f.

KEY PLAYERS

DEVELOPER:
Billingsley Co.

ARCHITECT:
Omniplan

LANDSCAPE ARCHITECT:
StudioOutside

GENERAL CONTRACTOR:
McFadden & Miller

TENANT REPRESENTATIVE:
Avison Young

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8951 CYPRESS WATERS BOULEVARD - ENTRANCE



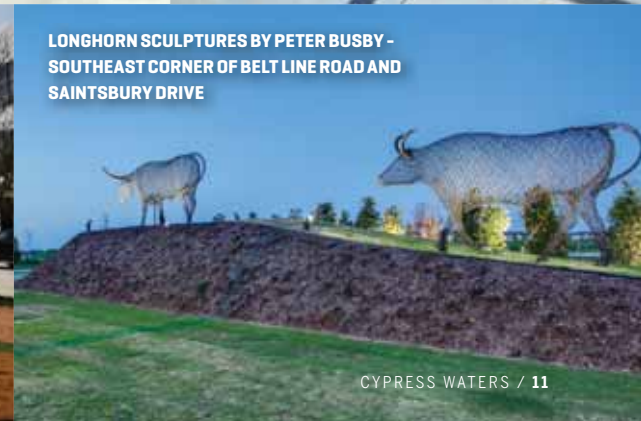
8951 CYPRESS WATERS BOULEVARD - LOBBY



SALAZAR PARK



SALAZAR PARK



LONGHORN SCULPTURES BY PETER BUSBY -
SOUTHEAST CORNER OF BELT LINE ROAD AND
SAINTSBURY DRIVE

WORKPLACE OF THE FUTURE



Nearly **900,000 SQUARE FEET OF OFFICE SPACE** has been built or is under construction at Cypress Waters.

BY CHRISTINE PEREZ

Billingsley Co. was so confident the demand would be there for office space in Cypress Waters, the company decided to kick off construction on a speculative basis. The developer knew it had something few landlords could offer but many tenants want—new, efficient space, with a wealth of amenities, centrally located with close proximity to Dallas-Fort Worth International Airport, and, perhaps most important, plenty of parking. Oh, and then there's the lake, a rare commodity around these parts.

With a property this special, Billingsley Co. wanted to pay careful attention to design. It selected Omniplan as the architect for the multitenant park.

“Our vision for the Cypress Waters office park was to use green space and street design to create a much higher quality environment than is typically found in suburban, value office projects,” says Tipton Housewright, principal at Omniplan. “The attention to the spaces between the buildings, including the landscape design and art, has made the overall project very unique.”

The architect says Cypress Waters is a great example of how place-making and integrated mixed-use can be created at relatively low densities. “It's the kind of environment that will attract the corporations and the workers of the future,” he says.

Moody Younger of Younger Partners is overseeing leasing of office space. He and his team were brought in at the beginning, when Billingsley Co. kicked off speculative development in the spring of 2013. Demand is strong for the space that remains available, he says.

KEY PLAYERS

DEVELOPER: Billingsley Co.

LANDSCAPE ARCHITECT: StudioOutside

ARCHITECTS: Omniplan (multitenant buildings), Corgan [7-Eleven Inc.], Good, Fulton & Farrell [Cheddar's Casual Café]

GENERAL CONTRACTOR: Alston Construction [8951 Cypress Waters and 7-Eleven Inc.]

GENERAL CONTRACTOR: McFadden and Miller [8840 Cypress Waters, Nationstar Mortgage, Cheddar's Casual Café]

MEP: Basharkah

STRUCTURAL: Datum

CIVIL: Binkley & Barfield- C&P Inc.

OFFICE TENANTS: 7-Eleven Inc., Cheddars Casual Café, Nationstar Mortgage, Meritage Homes

TENANT BROKERS: Avison Young, JLL, Swearingen Realty Group

OFFICE LEASING AGENT: Younger Partners



8951 CYPRESS WATERS BOULEVARD, DALLAS

The first speculative building to break ground totals 188,440 s.f.



8840 CYPRESS WATERS BOULEVARD, DALLAS

A second speculative building that got underway about two months later. Meritage Homes has leased 15,760 s.f. of the project's 164,784 s.f.

2900 RANCH TRAIL, IRVING

The first build-to-suit was a 31,450 s.f. headquarters for Cheddar's Casual Café.



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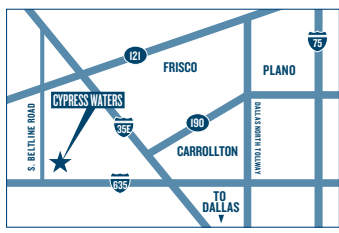
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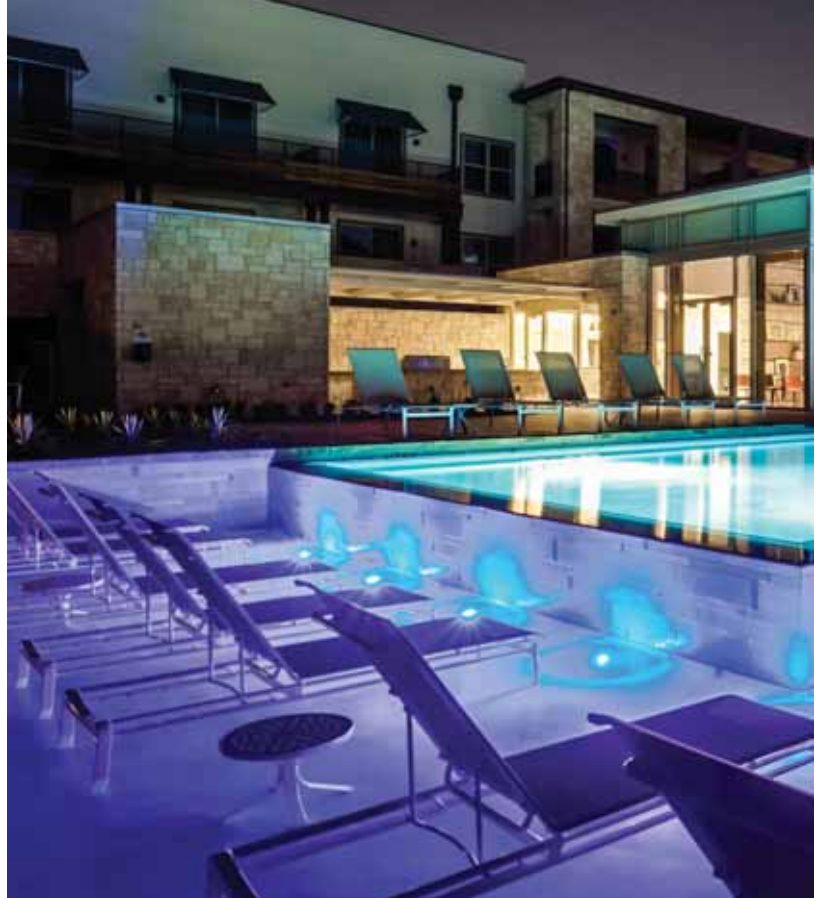
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(West on Saintsbury)





A NEW MULTIFAMILY PARADIGM

Cypress Waters' varying neighborhoods attract by style and connect by strategy.

BY HILARY LAU

After Billingsley Co. pieced together the land acquisitions for Cypress Waters, and brought in utilities and other infrastructure to support the project, one of the first development targets was multifamily. And these weren't just going to be any old apartments. The unique concept blends three distinct neighborhoods with individual personalities connected by shared amenities, says Lucy Billingsley, partner at Billingsley Co. and the driving force behind the unique multifamily approach.

"The world today is a world of rental living," she says. "As we think about multifamily, we need to come to it with a new paradigm, and the paradigm for us has been around creating neighborhoods where like-minded people are attracted."

For active couples with children and families, there's Parson's Green, Billingsley calls a "traditional Americana" community of townhomes that has playgrounds, whimsical walking trails, a music garden, and private front yards. For the younger set that seeks modern, metropolitan living, there's Scotch Creek, whose contemporary limestone architecture and communal spaces encourage residents to socialize and enjoy the development's amenities together. And for active young adults looking for a "romantic industrial" neighborhood reminiscent of Chicago or Brooklyn, there's Sycamore Park, which also sits closest to Cypress Waters' dog park.

Community amenities are designed to have across-the-board appeal.

"It's taking the idea of a country club with tennis or racquetball or other sports and bringing it into the neighborhood," Billingsley says.

Along with various parks, pools, and club house and fitness center, the three communities are connected by a pedestrian walking trail—one that eventually will extend 6 miles around North Lake. The trail passes through the centers of some of the larger residential buildings, which designer WDG Architecture says



Cypress Waters features interior design by **SWOON**.

PHOTOS COURTESY OF BILLINGSLEY CO.

676 NUMBER OF UNITS IN THE FIRST PHASE OF MULTIFAMILY DEVELOPMENT AT CYPRESS WATERS.

THE MASTER PLAN CALLS FOR AS MANY AS **10,000 UNITS**

contributes to the integrity and unity of the project as a whole.

“The team designed the trail with the hope that it will encourage casual social interaction among all of the renters,” says WDG Design Principal Vincent Hunter, who worked on the project alongside WDG’s Principal Jaime Fernandez-Duran, Project Designer Will Duncan, and Project Architect Brian Till. “We think it encourages, despite your building of choice, the potential to meet anyone who lives in any of the three neighborhoods because they’re so well interstitched.”

The development, which opened in June

2013, has filled up fast. Ninety percent of finished units are currently rented.

The three existing communities total 676 units. The master plan calls for as many as 10,000 residences. The timeline for development is completely dependent upon the market, Billingsley says.

According to Jay Denton, senior vice president of research and analytics at Axiometrics Inc., Cypress Waters is well positioned for the future. “Long term, that submarket tends to absorb units very well and stay higher occupied than the metro average,” he says.

Axiometrics projects that Dallas’ occupancy rate over the next five years will hover around 94.1 percent, with the submarket that includes Cypress Waters slightly outperforming Dallas at around 94.8 percent. “People get a little worried about all of the supply because we build a lot of properties here,” Denton says. “But the demand is currently strong. Over the next five years, we project that the Dallas-Fort Worth area will add about 350,000 jobs. Because of that, we’ll need more development—and more developments like Cypress Waters.”

In meeting that demand, Billingsley is going all-out. “We think what is required of us is to be bold and to do things of significance,” she says. “The next multifamily building will be on the water, and will really have some height; my sense is five stories.”

KEY PLAYERS

DEVELOPER: Billingsley Co.

ARCHITECT: WDG Architecture Dallas PLLC

LANDSCAPE ARCHITECT: StudioOutside

MEP: Jordan & Skala Engineers Inc.

STRUCTURAL: Barry Engineering Inc.

CIVIL: Kimley-Horn and Associates Inc.

GENERAL CONTRACTOR: Westwood Residential

INTERIOR DESIGN: Art & Commerce (Tom Newbury & Tom Sanden) SWOON

MP: Ramco Plumbing & Heat Relief

ELECTRICAL: Pruitt Electrical

FIRE PROTECTION: Central Fire Protection

EARTHWORK: Mario Sinacola & Sons

CONCRETE: Cook Concrete

SITE UTILITIES: PCI

STEEL: Southwest Ironworks



GOOD FULTON & FARRELL ARCHITECTS

THE 25-YEAR VISION

When all is said and done, Cypress Waters, Billingsley Co.'s 1,000-acre development surrounding North Lake, will include 4.5 million s.f. of office and retail space, 10,000 residential units, three schools, a 6-mile hike-and-bike trail, numerous parks and nature areas, and a lakeside gathering place called The Sound.

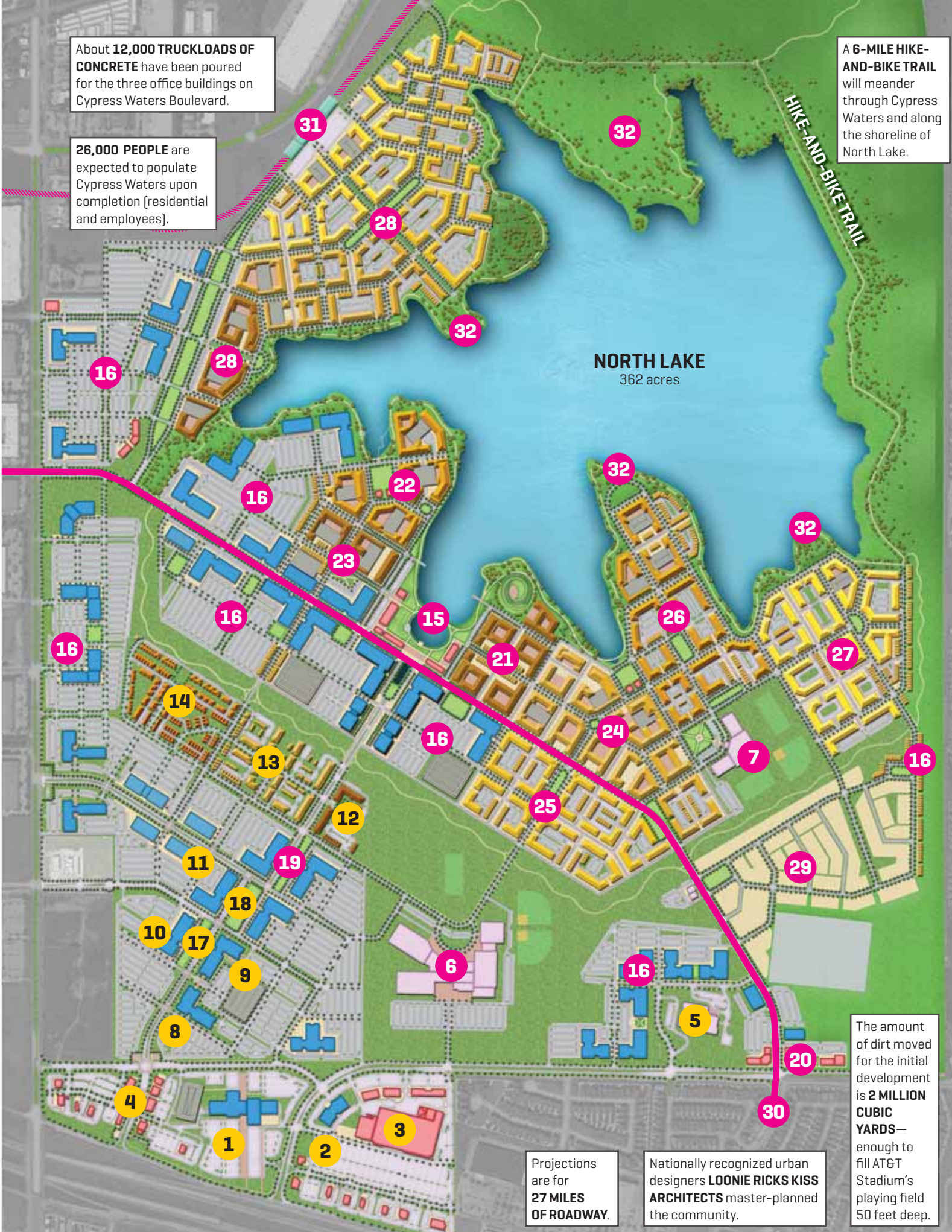
● Complete or under construction ● Future development

- | | |
|--|--|
| 1 7-Eleven Inc. headquarters | 17 Salazar Park |
| 2 Cheddar's Restaurant Group headquarters | 18 Central Park |
| 3 The Dump | 19 Northern office park |
| 4 The Shops of Cypress Waters [15,000 s.f.] | 20 Future retail |
| 5 Richard J. Lee Elementary [CISD] | 21 Multifamily phase 2 [500 units] |
| 6 Future magnet high school [CISD] | 22 Cypress Point [multifamily] |
| 7 Future middle school [CISD] | 23 The Wharf [multifamily] |
| 8 8840 Cypress Waters Boulevard [165,000 s.f.] | 24 Carraway Parks [multifamily] |
| 9 Nationstar Mortgage headquarters [175,585 s.f.] | 25 Birchgrove [multifamily] |
| 10 8951 Cypress Waters Boulevard [180,440 s.f.] | 26 Sagamore Hill [multifamily] |
| 11 9001 Cypress Waters Boulevard | 27 Byron [multifamily] |
| 12 Sycamore Park [multifamily] | 28 Future urban center [transit oriented] |
| 13 Scotch Creek [multifamily] | 29 Single-family housing |
| 14 Parson's Green [multifamily] | 30 Olympus Boulevard [four lanes, divided] |
| 15 The Sound | 31 Future Cotton Belt Line |
| 16 Future office campus zones | 32 Riparian environments / open spaces |

About **12,000 TRUCKLOADS OF CONCRETE** have been poured for the three office buildings on Cypress Waters Boulevard.

26,000 PEOPLE are expected to populate Cypress Waters upon completion (residential and employees).

A **6-MILE HIKE-AND-BIKE TRAIL** will meander through Cypress Waters and along the shoreline of North Lake.



NORTH LAKE
362 acres

HIKE-AND-BIKE TRAIL

Projections are for **27 MILES OF ROADWAY.**

Nationally recognized urban designers **LOONIE RICKS KISS ARCHITECTS** master-planned the community.

The amount of dirt moved for the initial development is **2 MILLION CUBIC YARDS**—enough to fill AT&T Stadium's playing field 50 feet deep.



CONTRASTING NEIGHBORHOODS

Here's how demographics for the Cypress Waters area [within a 10-minute drive] compare with averages for Dallas-Fort Worth.

DEMOGRAPHIC	CYPRESS WATERS AREA	DFW AVERAGE
Current population	124,600	6,784,000
Households	54,800	2,433,000
Average household size	2.27	2.74
One-person households	36%	24.8%
Average home value (2014)	\$405,000	\$248,000

INCOME / EDUCATION	CYPRESS WATERS AREA	DFW AVERAGE
Average household income	\$115,100	\$82,400
Households \$100,000+	42.1%	28.1%
Households \$150,000+	22.4%	12.7%
Households \$200,000+	11.4%	5.9%
White collar	80.7%	62.5%
College degree or higher	58.7%	31.6%

TAPESTRY LIFESTYLE SEGMENTS	CYPRESS WATERS AREA	DFW AVERAGE
Metro Renters	28.7%	4.1%
Young and Restless	19.0%	6.2%
Enterprising Professionals	18.8%	2.0%
Professional Pride	18.4%	4.4%
Bright Young Professionals	3.8%	2.8%
NeWest Residents	0.6%	3.8%
Home Improvements	1.7%	5.2%

TOP "TAPESTRY LIFESTYLE" PROFILES

Geographic information systems firm Esri, based in California, uses "lifestyle segmentation" to define characteristics of consumers and communities. Here's how the company defines various demographic groups at Cypress Waters.

METRO RENTERS are young, educated professionals just starting their careers, with a median age of 32 years and median income of \$48,000. Sixty percent of Metro Renters work in professional and management positions. This is a socially active crowd that enjoys eating out, traveling, working, and engaging in outdoor activities.

The **YOUNG AND RESTLESS** is a young, on-the-go population with a median age of 29 years; two-thirds are younger than 35. The average income of the group is \$39,765. It is a majority white group, but it is still very diverse with an above average representation of blacks, Hispanics, and

Asians. They are career-oriented individuals who are very tech savvy.

ENTERPRISING PROFESSIONALS are young, educated, working professionals with a median age of 32.8 years and a median household income of \$64,000. Forty-three percent are single and live alone or with a roommate, and another 43 percent are married-couple families.

NeWEST RESIDENTS are largely Hispanic, family-oriented individuals. The average age for the group is 27 years, 36 percent being dependent children. They shop at whatever location will allow them to save the most money and pay cash; few have credit cards.

Those within the **PROFESSIONAL PRIDE** are firmly established in their careers and earning a comfortable income. These are professionals who have completed college and been in the labor force for six to 10 years. Their priorities are

work and family as they often have children ranging from infancy to 6 years of age. They are advancing in their careers and firmly rooted within a company.

BRIGHT YOUNG PROFESSIONALS are just starting out in their careers. They are very successful for their age and will move around for any career advancement. They do not have families and generally prefer to live without roommates. This is a group that is very outgoing and very active. They eat out often at trendy restaurants, keep up with current trends through social media, and generally get their news from mobile outlets.

HOME IMPROVEMENTS are typically married professionals with a median age of 37 and median household income of \$67,000. Most of this group's residences are single-family homes that are owner-occupied, with only one-fifth of the households occupied by renters.



HILARY LAU

A ANATOMY OF A DEAL

EDUCATING FOR THE FUTURE

Coppell's new Richard J. Lee Elementary is unlike any other in the nation.

BY HILARY LAU

Students at Coppell ISD's newest school, Richard J. Lee Elementary, are guaranteed to get an education experience unlike any other in North Texas. That's because the Gold LEED-certified, \$21 million campus is the first net-zero-energy elementary school in the country.

Built in just eight months on 70 acres at Ranch Trail and Olympus Boulevard within Cypress Waters, the school is officially in the city of Dallas but part of the Coppell ISD. (Dallas annexed the property in the 1950s for a power plant.)

The net-zero designation means that the school will produce as much energy as it uses, mainly through ecofriendly processes and building features like solar panels (there are 1,096 on the school's roof), wind energy generators, rainwater collection systems, geothermal units, and daylight-harvesting lighting. During the next year, the school's energy usage will net out at zero, and when the building is generating more power than it needs, it will funnel that energy back into the community's electricity grid.

And once all of its internal monitoring systems are up and running, TVs stationed throughout the building will display data about the building's consumption and production. "In a nutshell, the school itself is a tool for learning," says Sid Grant, assistant superintendent for business and support services at Cisd. "One of our rainwater collection tanks will be used to irrigate the lawn and feed into an ecopond. Students will be able to do studies on erosion and look at water under a microscope."

Named for a school that closed in the district to make way for Coppell's New Tech High, Lee is a clear step away from eight "footprint" elementary schools built in the district during the 1980s and 1990s. The school opened in the fall of



1,096 solar panels top Lee Elementary's roof.

2014 with about 550 students; its enrollment capacity is 740.

Besides its energy efficiency, the school stands out for following Apple Academy's standards of challenge-based learning. In essence, children learn to problem-solve through the use of technology. The school itself, which is flexible in every sense of the word, features movable walls and communal facilities that are shared between both grades and classes.

Lee Elementary marks a happy ending to a story that began with Cisd suing Billingsley Co. over concerns that Cypress Waters would overwhelm the district's already crowded facilities. A settlement that included the sale of 122 acres on North Lake from Billingsley to Cisd in 2008 opened the door for Cisd to build an elementary school, a high school, two middle schools, and/or an administrative building. "Going forward, we should have plenty of land to accommodate the needs for the growth," Grant says.

Lucy Billingsley says Lee Elementary is a model for schools in the future. "We're being environmentally sensitive and working on how to refine anything that we might do to be environmentally smarter," she says. "How fabulous it is that it's a school system that sets the bar?"

EMBRACING THE GREAT OUTDOORS

Cypress Waters' natural amenities extend beyond the scenic shores of North Lake.

BY HILARY LAU

In the late 1970s, North Lake was a popular fishing spot. In the late '80s and early '90s, its southern shore served as a park. Today, it's the centerpiece of Cypress Waters. A key goal for the development is to enhance the beauty of the lake and open it up for the enjoyment of residents, tenants, and visitors.

"We're restoring a good portion of shoreline that extends into three coves of the lake and two peninsulas," says Mark Thomas, a landscape designer and project manager at Studio Outside, which is overseeing landscape design at Cypress Waters.

Thomas designed three parks in Cypress Waters' office development, as well as

a large bridge at The Sound, a lakeside "town square" that Lucy Billingsley calls "the heart-throb of the place." The Sound will connect to the development's 6-mile pedestrian trail system. The system in turn will connect to Irving's Campion Trail and, pending approval, a proposed extension of the Cotton Belt Trail.

Billingsley and Studio Outside hope it will be comparable to the 12-mile pathway at Dallas' White Rock Lake and that it will eventually stretch around North Lake.

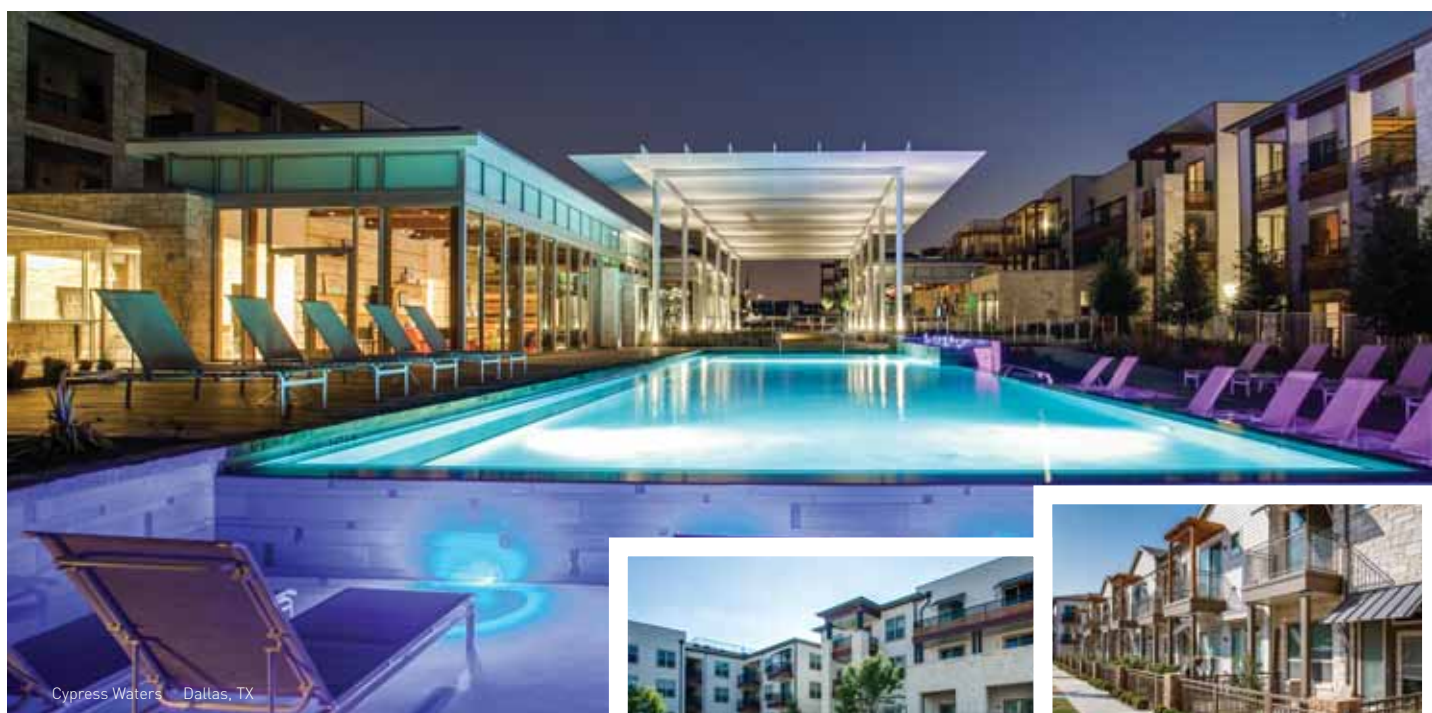
The trail is a key part of Cypress Waters' focus on fitness.

"We anticipate having a very bike-friendly environment in the future," says Tary Arterburn, founding principal of Studio Outside. "The other fitness is going to be based in most of the multi-family projects. The corporate buildings have facilities, too, and people can use these wonderful outdoor facilities adjacent to the fitness centers."

Arterburn expects to see the development's pedestrian trail built within the next four years, though there have been some challenges.

"We're having to create a completely new shoreline," he says, noting that a huge amount

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Landscape design is being overseen by Dallas-based **STUDIO OUTSIDE.**



Lakeside fields of milkweed will attract monarch butterflies.

SHUTTERSTOCK

Sculptures and other artistic design elements can be found throughout Cypress Waters.



of dirt has been hauled in from a nearby excavation site at LBJ Freeway. “We’re trying to look at the careful use of water for irrigation, using native plants and trees in many places, so it’s not super high-maintenance water use.” Part of this effort will include planting cypress trees to attract wildlife and waterfowl, as well as planting lakeside fields of milkweed to attract migrating monarch butterflies.

The entrances to the development will feature rows of cloned cypress trees—each a perfect copy of the other. “We’ve installed some nice-size trees out there,” Thomas says. “In such a big space, you need big trees to make a statement.”

The whole development features an impressive array of sculptures and other artistic design elements.

“I don’t know much about art, but I do know that we’re all complimented when we pass a sculpture,” says Billingsley. “The humanities are, in our adult lives, either lost or much less than when we were in school. This is just one small way of bringing them in.”



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A TIME TO BE BOLD

Real estate legend Trammell Crow had a profound impact on North Texas. His daughter, Lucy Billingsley, is well on her way to doing the same.

BY CHRISTINE PEREZ

Earlier this year, Crow Holdings chairman Harlan Crow held a party to mark what would have been the 100th birthday of his father, real estate legend Trammell Crow, who died in 2009 at the age of 94. One of the highlights of the evening was an uproarious video that began with a shot of Harlan, dressed in a hooded robe, wandering the darkened halls of Old Parkland (a signature Crow Holdings development north of Uptown).

Harlan summoned “the great Crow in the sky” for real estate advice, and “Trammell” appeared in a green-lit crystal ball. The two began bantering and, in a scene that drew loud laughs from the crowd, Trammell tells his son: “Your biggest mistake is you don’t listen to Lucy!”

Lucy Crow Billingsley, Trammell’s only daughter (she and Harlan have four brothers) is the driving force behind Dallas-based Billingsley Co., a real estate development firm she runs with her husband, Henry. She says it wasn’t until her children were grown and out of the house that she realized just how much real estate meant to her. “I thought about what I wanted to do with that free time, and what I really wanted to do was work,” she says.

Billingsley Co. has had tremendous success in all product types, with developments such as Austin Ranch, International Business Park, and One Arts Plaza. Along the way, it has been a pioneer in creating places that focus on end-user perspectives. Billingsley’s goal, she says, is to give people things they don’t even realize they’re lacking, in both residential and commercial developments. She likens it to a quote from hockey great Wayne Gretzky: “I skate to where the puck is going to



MICHAEL SAMPLES

be, not where it has been.”

At Cypress Waters, this means putting an emphasis on nature, art, and incorporating “third place” elements. (In urban planning, third place refers to the social aspects of communities, separate from home and work.) These spaces will evolve organically, says Billingsley’s daughter, Lucy Burns, who oversees office and build-to-suit operations for the company.

“The objective is to not have a manufactured feel or create a Disneyland for grown-ups, but for it to be serendipitous,” she says. “We want the trail system and the parks to be authentic areas that people really do use and that don’t feel forced.”

Billingsley says it all comes down to creating great places. “It’s our responsibility to do this in a big way,” she says. “I feel like I’m at the stage in my life now when it’s important to make some bold gestures and bold moves. Fortunately, I have enough tenure and understanding where I think I can do bold that’s

not unnecessary or risky. I hope and believe that we’re going to be able to make these environments really remarkable.”

A FAMILY TRADITION: REAL ESTATE IS A WAY OF LIFE FOR THE CROW-BILLINGSLEY CLAN.

- **Lucy Crow Billingsley** is a partner with her husband **Henry** in Billingsley Co., which they founded in 1978. The company has significant holdings across all real estate sectors.
- Son **Trammell Hancock** specializes in retail brokerage as a vice president at Venture Commercial.
- Daughter **Lucy Billingsley Burns** is a partner at Billingsley Co., where she oversees office projects and build-to-suits. Her husband, **Tom**, is a vice president at Deutsche Bank, where he focuses on originating CMBS loans.
- Son **George Billingsley** is a partner at Billingsley Co., where he oversees the industrial portfolio. His wife, **Lindsay**, is a development director at Alliance Residential Co., specializing in multifamily and site selection work.
- Daughter **Sumner Billingsley** has joined the family business to focus on the retail and multifamily portfolios, after working for CBRE in New York.

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