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BIRD'S EYE VIEW: A massive tract of land known as Lakes of Bird's Fort sits in the center of the Metroplex. It was sold to Huffines Partners by Dallas real estate investor Sam Ware, who retained mineral rights to the property.

Lakes of Bird's Fort



BY CHRISTINE PEREZ | STAFF WRITER

Huffines Communities became the latest brave soul to tackle development of a massive land tract in Arlington when it acquired a 1,910-acre parcel known as Lakes of Bird's Fort last year. The Dallas-based residential developer, led by twin brothers Donald Huffines and Philip Huffines, is planning high-end homes and entertainment venues for the property.

Over the past 25 years, a half-dozen other owners have taken a stab at developing the site. The reason so many have tried: it sits along the Trinity River in the center of the Metroplex, less than 4 miles from Dallas/Fort Worth International Airport. The reason they've failed: Only about 700 acres are developable; the parcel sits in a floodplain and includes 10 lakes.

The most recent risk-taker to give it a go was the seller, Dallas real estate investor Sam Ware. The Huffines will be successful, Ware

says, because the city of Arlington recently approved a tax increment reinvestment zone (similar to a tax increment finance zone) to support the project. Ware and his partners spent more than three years working with the city to get the program hammered out.

"It will enable the developers to recoup up to \$85 million in extraordinary capital costs," Ware said. "Otherwise, it wouldn't make economic sense. It's why all of the previous owners have gone bankrupt."

The sale to the Huffines was put together by Rex Glendenning of Rex Real Estate. The land broker has been involved with the property for more than 10 years. He also negotiated the sale to Ware in 2003. Ware paid \$13 million and pumped several million dollars into pre-development site work, plus funding the TIRZ effort. None of the parties involved will reveal what the Huffines paid, acknowledging only that Ware made a nice profit.

"I think people are going to look back and see this as one of the most prestigious and successful infill sites in the region," Glendenning said. "Most infill sites are 5 or 10 acres. The size of this tract is incredible, matched only by its location. It's surrounded by CentrePort, a mile away from the new Dallas Cowboys stadium and a mile away from Ameriquest Field. Best of all, it's just a few minutes from the airport."

The parcel has a rich history. It is the site of the signing of the Bird's Fort Treaty be-

tween the Republic of Texas and several Native American tribes in 1843 and is referred to as the birthplace of North Texas.

The Huffines are finalizing development plans and are expected to announce details sometime this spring. At full build-out, their mixed-use development is expected to have a taxable value of \$1.2 billion.

Ware says he's thrilled his longtime friends are going to create something special on the site.

"Every new owner has the ability to perfect and enhance the previous owner's vision," he said. "It's an incredible infill location — the hole of the doughnut in Dallas-Fort Worth — and these guys are real pros. I hope they make shiploads of money."

The developer isn't crying over missed opportunities. Part of the complicated land sale allowed Ware to retain mineral rights to the property. He has already discovered the largest known fault in the Barnett Shale. Experts put the potential value of the gas play that lies underneath the land at \$2 billion to \$3 billion.

"We've developed a masterplan in such a way that maximizes the surface value and the mineral value," Ware said. "It's a win-win-win for everybody — for me personally, for the city of Arlington and for the Huffines. Everyone ended up with what they wanted."

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Lakes of Bird's Fort

DEAL: Complicated sale of large infill tract in Arlington.

IMPACT: With economic incentives in place, allows for the development of a key parcel that sits in the "hole of the doughnut" in Dallas-Fort Worth.

SIZE: 1,910 acres; at full build-out, expected value is \$1.2 billion.

KEY PLAYERS: Donald Huffines, Philip Huffines and Robert Kembel, Huffines Communities; Sam Ware, Lazarus Property Corp.; Sam Byrne, CrossHarbor Capital; Mayor Robert Cluck, city of Arlington; Dr. Gene Buinger, Hurst-Eules-Bedford Independent School District; Peter Calthorpe; Calthorpe Associates; Jeff Williams, River Legacy Park; Jim Wagon, Graham Associates; Rex Glendenning, Rex Real Estate; James Feagin, Landmark Interests.