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FEATURED

# Corporate Magnet: Schwab leads financial services growth in Northeast Tarrant County

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## FORT WORTH BUSINESS PRESS

# CORPORATE MAGNET



**Schwab leads financial services growth in Northeast Tarrant County**

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**W**hen Schwab office park first opened about 10 years ago, it set on the fringe of suburban sprawl, but its colorful, busy architecture made it hard to miss.

Designed by renowned Mexican architect Ricardo Legorreta, the sprawling 200-plus-acre campus was created through a partnership between JPM Chase and developer Maguire/Tierney as a corporate campus for 5,000 JPM employees.

After undergoing a \$70-million makeover, Schwab remains a landmark presence within the State Highway 114 corridor that runs through the upscale communities of Southlake and Westlake.

But it no longer stands alone. Strong, steady growth has transformed this corridor of pristine parks and, this time, and gaudy rolling hills into a top corporate headquarters hub for Tarrant County.

The corridor's corporate density now includes Fidelity Investments (600,000 square feet), Delta, TD Ameritrade and Dalhousie University (750,000 square feet).

Charles Schwab is leading again in the area as the San Francisco-based investment firm builds a \$200-million regional office campus on Hillwood's Circle T Ranch property.

*see Development on page 17*

**COMING JUNE 13** **Business for Breakfast Series**  
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*Schwab DFW Campus in Westlake*

*Location: Corner of State Highways 170 and 114 in the new Circle T Ranch development*

*Size: 500,000 square feet of office space on a 70-acre site*

*Buildings: Two office buildings*

*Amenities building with a café and large assembly space/training center and outdoor meeting areas*

## *Parking garage*

*Completion: Early 2019*

*Contractor: DPR Construction*

*Architect: Corgan*

When Solana office park first opened about 30 years ago, it sat on the fringe of suburban sprawl, but its colorful, boxy architecture made it hard to miss.

Designed by renowned Mexican architect Ricardo Legorreta, the sprawling 200-plus-acre campus was created through a partnership between high-tech heavyweight IBM along with developer Maguire/Thomas as a corporate campus for 3,000 IBM employees.

After undergoing a \$70 million makeover, Solana remains a steadfast presence within the State Highway 114 corridor that runs through the upscale communities of Southlake and Westlake.

But it is no longer stands alone.

Slow, steady growth has transformed this corridor of pristine prairieland, thickets and gently rolling hills into a top corporate headquarters hub for Tarrant County.

The corridor's corporate denizens now include Fidelity Investments (600,000 square feet), Sabre, TD Ameritrade and Deloitte University (750,000 square feet).

Charles Schwab is leasing space in the area as the San Francisco-based investment firm builds a \$100 million regional office campus on Hillwood's Circle T Ranch property.

"That area has really become a magnet for financial services firms," said David Berzina, a vice president with the commercial real estate firm of JLL and former executive vice president of the Fort Worth Chamber of Commerce. "Financial services from across the country are clustering there, with Fidelity from the East Coast, TD Ameritrade from the Midwest and Schwab from the West Coast."

Growth has been robust lately with Schwab, Goosehead Insurance and TD Ameritrade together adding about 1 million square feet of office space to the mix, according to JLL.

At the end of the first quarter, the Southlake-Westlake area had an office inventory of almost 5.9 million square feet, making it the fourth largest office hub in Tarrant County behind downtown Fort Worth with 10.2 million square feet, Arlington/east Fort Worth with 7.7 million square feet and west/southwest with 6.25 million square feet.

But that's hardly the end for the Southlake/Westlake corridor, which is in the enviable position of being perched between Dallas Fort Worth International and Alliance airports, with Alliance being a landing spot for corporate jets as well as cargo.

Other bonuses of this corridor include abundant undeveloped land with picturesque topography, a skilled workforce, accessible transportation and logistics support, top-rated public schools and housing options for workers at all income levels, Berzina said.

Plus, this area abuts Hillwood Properties' 26,000-acre AllianceTexas anchored by Alliance Airport and home to vast commercial, residential and industrial developments, including a Facebook Data Center.

The 900-acre Alliance Town Center adds shopping, dining and entertainment options to the west of Southlake-Westlake hub while Southlake Town Square offers even more options to the east.

Soon there will be even more eating and shopping options in the heart of the corporate hub within a new mixed-use development adjacent to the Schwab campus. The 130-acre joint project by Hillwood and the Howard Hughes Corp. will be built at the junction of State Highways 114 and 170.

Specific plans for the mixed-use development have been percolating since the shortly after Schwab announced its plans to build its \$100 million office campus in 2016. The project is receiving a \$6 million boost from the Texas Enterprise Fund.

"We're getting ready to announce soon," said Steve Aldrich, senior vice president for Hillwood, who heads up development in the Southlake-Westlake corridor. "We know there will be residential, retails, office and hotel uses."

The planned development will contain more than 2 million square feet of space and will complement the 500,000-square-foot Schwab campus on 70 acres, which is due to open next year. It will be built on the spot that was once planned as a shopping mall, Aldrich said.

“Developing this mixed-use project at the Circle T Ranch represents a watershed moment in the history of AllianceTexas,” Mike Berry, president of Hillwood Properties, said at the time of the announcement. “Circle T Ranch offers some of the most beautiful land in North Texas, which makes it a prime destination for companies wishing to establish a presence in this region.”

Schwab has already expanded its plans for the Westlake campus since announcing its plans to build there. The financial services firm announced plans to employ about 2,600 people at this campus, up from earlier estimates. That virtually doubles Schwab’s current employees in the state.

Corporate headquarters for Schwab remain in San Francisco. The Westlake campus will be one of the firm’s 10 regional employment centers. Nationwide, the company has 17,600 employees and 340 retail branch offices.

“They’ve already managed to hire 1,000 employees locally from zero,” Aldrich. “They plan to bring some employees from other places, but most will be local hires.”

And as part of its commitment to the area, Schwab has announced a sponsorship agreement for Fort Worth’s venerable Colonial PGA. Schwab will take over as title sponsor starting in 2019 in a four-year agreement that goes through 2022. The new tournament name and logo will be announced at a later date, officials said.

“Schwab’s decision to move here speaks to the pro-business economy, low taxes, no state income tax, wide range of affordable housing compared to other parts of the country and quality of life,” Aldrich said.

Besides the Schwab complex and mixed-use development, Hillwood is planning another 10 million-square-foot office development on the west side of the Circle T Ranch.

Even with all that is planned, Hillwood still has ample acreage left for more development in both the Alliance corridor and Circle T Ranch in Westlake, Aldrich said.

And that’s not the end of what is to come in the Southlake-Westlake corridor. Blackstone and Equity Office Properties bought Solana out of foreclosure four years ago and added 21st century amenities to recharge its appeal.

Solana is also poised for more growth in both new development and office tenants. With more than 1 million square feet of existing office space ready to lease, Solana has the most Class A availability in the Dallas-Fort Worth market, according to JLL.

The office park also has more than 1 million square feet of build-to-suit land available.

“Blackstone and Equity Office have done an outstanding job of creating a top-tier work environment that provides the amenities and real estate solutions companies are looking for, JLL Managing Director Jeff Eckert said in a statement announcing four new tenants at the Solana campus last fall.

The newcomers include the federal government, the Town of Westlake and Oliver Wyman, a Marsh McLennan company. Goosehead Insurance leased 62,000-square-feet of office space earlier last year.