

# MARKET HIGHLIGHT: FORT WORTH

## REDEVELOPMENT DEFINED FORT WORTH RETAIL MARKET IN 2018



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2018 was a year of redevelopment, adjustment and correction for the Fort Worth retail market. Some real estate professionals believe this activity was the result of the collective, pent-up demand among quality retailers for a store presence in Fort Worth. Some believed they that could duplicate the atmosphere created by The Domain, a 1.2 million-square-foot mixed-use destination in Austin that has achieved tremendous success.

The previous three years saw more than 2.5 million square feet of new retail space delivered in Fort Worth, a figure that exceeds the combined total for the previous 10 years. For example, in September 2017 Simon Property Group, in partnership with Cassco Development Co., opened The Shops at Clearfork, a 500,000-square-foot, open-air luxury shopping, dining, entertainment and mixed-use destination situated in the heart of Fort Worth. The Shops at Clear-



Since opening in fall 2017, The Shops at Clearfork has become one of Fort Worth's premier shopping, dining and entertainment destinations. Anchor tenants include Pinstripes Bowling & Bocce, AMC Theatres and Neiman Marcus.

fork also includes office space.

Other retail projects that contributed to new supply included WestBend, Waterside, Left Bank and Presidio. This new development caused a spike in vacancy to 8.7 percent by the end of the year as landlords were all looking to stabilize their assets from the same tenant pool. At the same time, retailers, restaurants, service firms and experiential companies were cautious and calculated with regard to their growth in Fort Worth.

With an abundant amount of new retail space coming on line, notable own-

ers, brokers and developers focused their efforts on redevelopment in 2018. At the heart of this strategy was an effort to showcase to visitors that "new" isn't necessarily better, and that experience, atmosphere and uniqueness ultimately resonate more with consumers than anything else.

### Project Spotlight

Crockett Row at West 7th, a vibrant destination to eat, drink, shop and explore in the heart of Fort Worth's cultural district, continued its repositioning/rebranding effort in 2018. The

redevelopment, headlined by retailer West Elm signing a lease and the opening of Crockett Street FOODHALL — which features cuisines from many local chefs and purveyors — encompasses five walkable blocks of fashion and accessory boutiques, salons and spas, gourmet and fast-casual restaurants and bars and a movie theater.

Additionally, Trademark Property Co. continued its multi-phase redevelopment of WestBend, a 278,000-square-foot mixed-use project located on the Trinity River in Fort Worth's University District. Other new retail tenants to the area include apparel store Bonobos and cosmetics retailer Bluemercury. Fort Worth did experience its share of store closures in the grocery space in 2018, including Fresh Market closing all stores in Texas. Many are waiting HEB's store rollout in DFW.

2018 also saw several destinations — including both Crockett Row at West 7th and WestBend — implement a public arts program as a way to create a gallery showcasing community artists.

For Crockett Row at West 7th, the goal was to establish a mixed-medium outdoor gallery designed to celebrate creativity and community in Fort Worth. The center put out a call for artists to create engaging, inspirational and colorful murals that capture the energy of its location in the thriving Cultural District. Two murals are located at the Currie Street entrance of the north parking garage and the other one welcomes visitors outside of the forthcoming FOODHALL at Crockett Row.

Moving forward, expect landlords and developers to focus on smaller in-fill redevelopment projects targeted to local boutique retailers and restaurants. Potential retail users at these projects could include clothing, fragrance, breweries and chef-driven concepts.

Areas like Magnolia Street, South Main, River District and Clearfork will also see attention from developers and tenants looking to establish a presence in Fort Worth. Additionally, tenants will continue to expand into and retract from the market as everyone looks for that perfect mix to satisfy consumer demand.



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