

180



Hines180 is designed to turn around underperforming real estate assets which require significant strategic overhaul. The program is delivered by Hines' outstanding teams of investment analysts, property managers, engineers, leasing and marketing professionals.

Hines

For more than 60 years, Hines has been known for signature office, residential, retail, industrial and land developments of the highest quality. Lesser known, but no less impressive, is the firm's track record in solving tough real estate problems and turning around underperforming assets—some involving equity stakes and many for third parties. ■ Founded by mechanical engineer Gerald D. Hines, the firm's culture is anchored by a commitment to efficiency and its people are at their best when they are creatively and passionately engaged in maximizing the potential and value of a real estate project. ■ The 4,500+ men and women of Hines around the globe stand ready to assist with your real estate challenges and discuss how our experience, in partnership with you, can help achieve your objectives.

TURNAROUND SERVICES

- Analysis and Valuation
- Asset and Portfolio Management
 - Marketing and Leasing
 - Investment Sales
 - Zoning, Entitlements and Financing
- Construction and Development Management
 - Property and Facility Management
- Engineering Services and Sustainability Advisory



Unlocking Real Estate Value

Today's challenging commercial real estate environment demands new, comprehensive solutions — solutions based on Hines' deep experience in the acquisition, management, marketing and leasing of underperforming real estate assets.

Managing Risk → Maximizing Value

In December 2005, Hines acquired 600 acres of infill land parcels in the heart of the Dallas/Fort Worth Metroplex. The land was previously zoned entirely for commercial use to support the intricate infrastructure constructed 30 years earlier; however, this single land use resulted in a dead environment after business hours. Hines worked with the Irving City Council, existing land owners, prospective land owners/developers and several other zoning municipalities to reenergize the community and maximize the value of the land by rezoning, master planning and realizing other previously hidden revenue items associated with the land. As of December 2009, Hines had developed all of the required infrastructure to support the new master plan and successfully sold off 95% of the bulk land commercial acreage.

Asset Problems	Turnaround Strategy
<p>Incorrect zoning, land use and utilities</p> <ul style="list-style-type: none"> Las Colinas was zoned for commercial uses (i.e., office campus) The Las Colinas urban center was surrounded by vacant land with little residential usage, resulting in a “ghost town” atmosphere at night Utility components were not sufficient for new development growth 	<p>Reenergized master planning</p> <ul style="list-style-type: none"> Worked with City Council and rezoned 600 acres of land to include retail, office, hotel, single-family residential and multi-family residential Created night activity by adding rooftops in the community, complementing corporate daytime activity and strengthening demand in the retail market Proposed creative master plan that tiered back density of commercial and residential Created three single-family residential districts and three multi-family districts with different price points and amenities Developed sewer lift station and improved the existing intricate levee/flood control system
<p>City Council commercial-only mindset</p> <ul style="list-style-type: none"> City Council believed only office development would justify high-end infrastructure and infill locations 	<p>Multi-use value creation philosophy</p> <ul style="list-style-type: none"> Convinced City of Irving to allow multiple product types in the area by projecting that additional land uses would spur quality development across the area, thus creating additional tax revenue
<p>Excessive tax rates</p> <ul style="list-style-type: none"> Above-market property taxes challenged leasing and limited ability to attract commercial tenants to the area 	<p>Increased community value to lower the tax burden</p> <ul style="list-style-type: none"> By encouraging a reemergence of development in the Las Colinas area, Hines was instrumental in increasing the Dallas County Utilities and Reclamation District (DCURD) appraised value approximately 84% from 2005 to 2008

	Before Hines	After Hines
Entitled Land Uses	1 commercial	5 retail, office, hotel, single-family residential, multi-family residential
Appraised Value	\$1.2 billion	\$2.2 billion
DCURD Property Taxes	\$2.36 / \$100	\$1.62 / \$100
Under Development in Las Colinas	70 acres	311 acres
Public Area Improvements/ Additions	Minimal	<ul style="list-style-type: none"> ▪ New convention center ▪ Elementary school ▪ Improved levee system ▪ Sewer lift station ▪ New DART rail station connecting CBD to DFW International airport

“Hines’ real estate expertise and local market knowledge has helped create value and velocity in Las Colinas by introducing various product types. The Hines team has worked with the Las Colinas Association to enhance the master-planned community of Las Colinas.”

– Ethan R. (Rick) Bidne
President and Chief Executive Officer
Las Colinas Association