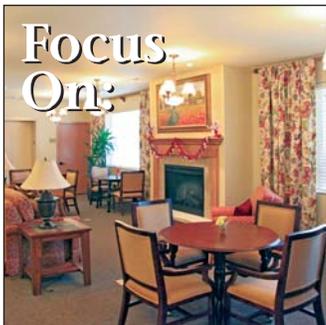




Common Goals – Living Large in Texas



**Focus
On:**

Senior Living

We're not getting older, we're getting better! For those who constitute the Baby Boomer generation, this mantra is holding firm. We're living longer and healthier, and the changing needs of today's and tomorrow's seniors continue to shape the future of senior housing. The next generation of seniors will possess more diverse backgrounds, higher levels of education, enjoy a greater amount of disposable income and will expect to be given choices regarding their living environment and care.

By 2030, over 132 million Americans will be age 50 or older, and 20% of that number will be 65 or older. In response to this growing demographic, real estate developers are gearing up construction, particularly in assisted-living and memory care properties, to match the

A popular bumper sticker reads, "Not a native Texan, but I got here as fast as I could!" This expression is clearly indicative of the state's increasing population, rising job growth, unmatched business expansion, active construction market and overall quality of life attracting people and businesses at a record-setting pace. In fact, Texas is home to the second largest civilian workforce in the country (over 12.8 million), second only to California (18.6 million).

With an economy that's fueled by robust job growth (unemployment stands at 5.1%) and an increasing population, multi-family construction activity has been on the rise. As cited in the recent *State of Texas Comptroller's Weekly Economic Outlook*, there were **6,581 multi-family building permits** issued in August 2014, 89.9% more than in August 2013. During the 12



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months ending in August 2014, a total of 64,042 permits were issued, **16% higher than the previous year.**

Fueled by continued growth in the energy sector, Houston leads the nation in the demand for apartments with nearly 15,400 units absorbed over the last year. At the beginning of April, the inventory in Houston was 577,256 apartments with occupancy at 91%. Developers will deliver about 12,250 units in 2014, representing a sizable uptick since 2013, concentrated primarily in Houston's central submarkets, The Woodlands and Spring.

The second most active apartment market is Dallas, absorbing approximately 12,300 units annually. Urban development is the most active construction segment with properties catering to a younger demographic where jobs, night life and enter-

tainment are within walking distance. Submarkets in Central Dallas have also attracted the interest of young renters resulting in over 5,400 apartments currently underway, more than any other submarket in the state.

Austin's stellar job growth, propelled by new industries and high-tech firms such as Facebook, Google and Visa, is also initiating an increase in new apartment development. Apartment living appeals to young adults who comprise a majority of this industry's workforce resulting in a 95% occupancy rate for most developments. Urban infill properties represent 65% of new rental development in Austin benefiting from the city's 24/7 urban lifestyle and access.

Cadence McShane team members possess decades of experience, specifically within the multi-family and senior living markets, and stand ready to assist with a comprehensive construction approach to your next rental development. □

rising demand for senior living residences as the U.S. senior population nearly doubles in the next 35 years.

The National Investment Center (NIC)'s most recently published *Senior Housing Construction Trends Report 2013*, noted that **31,462 senior**

housing units/beds were under construction. The inventory of senior living units reached its largest volume last year since Fourth Quarter 2005. Even though rents rose 2% in 2014, occupancies are at

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'Paying It Forward' Culture Yields High Dividends to Those in Need and to Cadence McShane Construction Team Members

While the recent popularity of the ALS Ice Bucket Challenge has captured the nation's awareness and charitable momentum in 2014, the team members of Cadence McShane have embodied the spirit of 'paying it forward' for many years. Throughout 2014, the company has supported numerous activities allowing each team member to participate and enjoy the benefits of serving their community. In the first part of the year, Cadence McShane raised donations for The Soupmobile, a mobile food kitchen that serves the homeless. In the second quarter, Cadence McShane supported Carry The Load, a not-for-profit organization focused on restoring the meaning of the Memorial Day holiday. God's Pantry, a food pantry supplying food to over 2,000 individuals monthly, also benefited from the generous financial donations provided by the Cadence McShane team. Most recently, ALS Ice Bucket Challenges took place in Dallas (see Will Hodges, President, right), and in the firm's Austin and Houston offices. Our thanks to the dedicated employees of Cadence McShane who continue to positively improve the lives of others through their generous donations and activities. □



Paying it Forward

192,232 S.F. Build-to-Suit Completed for Rich Products Corporation

Cadence McShane recently completed the construction of a new 192,232 square foot food processing facility for Rich Products Corporation located on a 20-acre site in Missouri City, Texas. Since 1945, Rich's has been a leading supplier and solutions provider to the foodservice, in-store bakery and retail marketplaces. The firm's new single-load office and warehouse facility was designed and constructed to streamline the production and distribution of frozen desserts. With an accelerated timeline and comprehensive food safety guidelines, tilt-up concrete construction was used for a quick shell delivery. Cadence McShane utilized casting beds to form, place and erect the shell simultaneously allowing for the completion and interior build-out process to begin within three months after breaking ground. The warehouse is comprised of eight distinct areas: baking, mixing, ingredients, packaging, dry storage, washing, blast freezer and a freezer warehouse. Each section features specific temperatures ranging from over 110°F to -10°F requiring a variety of insulation thicknesses. The build-to-suit also includes seven dock doors, a two-story, 16,232 square foot office and future expansion options. The exterior façade was artfully clad utilizing concrete, metal and red aluminum elements for a contemporary aesthetic that complements the Rich's brand. Seeberger Architecture provided the architectural services for the assignment. □



Situated on a 20-acre site in Missouri City, Texas, the new 192,232 square foot Rich Products Corporation food processing facility was recently completed by Cadence McShane and supports the firm's wide range of temperature requirements from 110°F to -10°F.

Fast-Track Construction Underway at Airtex Commerce Center in Houston, Texas

Molto Properties and Generational Commercial Properties have selected Cadence McShane to provide the construction services for Phase I of the co-developers' 166,250 square foot Airtex Commerce Center. The Class A speculative industrial facility is being constructed on a 19-acre site located at 431 East Airtex Drive in Houston, near Inter-



Cadence McShane was selected by Molto Properties and Generational Commercial Properties to provide the comprehensive construction services for Phase I of the co-developers' Class A, 166,250 square foot Airtex Commerce Center in Houston, Texas.

state 45 with convenient access to George Bush Intercontinental Airport. The facility features a tiltwall panel exterior with a floor plan that supports both single- or multi-tenant configurations from 40,000 square feet. The building will feature an efficient rear-load design with a 30' clear height, 60' staging bays, 52' x 47' column spacing, 40 external truck doors, four drive-in doors, a 130' truck court, 2,500 amp 277/480 volt electrical service and an ESFR sprinkler system. Cadence McShane will also complete an expansive parking lot with flexible access to the

facility via five separate curb cuts, on-site trailer storage and attractive landscaping. Powers Brown Architecture is serving as project architect for the speculative development. □

Cadence McShane Completes 13-School Assignment for Richardson ISD

Cadence McShane, serving as Construction Manager at-Risk, recently completed another portion of the Richardson Independent School District's 2011 Bond Program. The assignment involved various upgrades, renovations, repurposing and expansions at 13 schools throughout the District, working in concert with various notable architectural firms. With Perkins + Will, renovations at Brentfield Elementary School and additions and renovations at White Rock and Richland Elementary Schools were completed. With architect, PBK, renovations to Big Springs Elementary and an addition and improvements to Wallace Elementary School have concluded. Cadence McShane and Corgan Associates completed renovations at Berkner and J.J. Pearce High Schools, and additions and renovations at Forest Meadow Junior High and Dover, Merriman Park and Mohawk Elementary Schools. With Reed, Wells, Benson & Co., MEP upgrades to Richardson Heights, Northrich and Dover Elementary Schools were completed. The majority of construction for the multi-school assignment occurred in Summer 2014 in preparation for the new school year. Prior to this recent award by Richardson ISD, Cadence McShane completed a multi-school project assignment at 13 additional educational facilities throughout the District. □

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Dana Holding Corporation Facility Completed in Austin

Cadence McShane was retained by developer, TIG Real Estate Services, Inc., to customize the recently completed Scottsdale Crossing Building One to suit the needs of the facility's full-building tenant, Dana Holding Corporation. Dana Holding Corporation is a world leader in the supply of drivetrain, sealing and thermal-management products, as well as genuine service parts. Dana Holding selected the 27,500 square foot facility, previously completed by Cadence McShane, with additional customization to suit its specific size and building requirements. The property is situated at 5900 Highway 183-A within TIG's multi-building Scottsdale Crossing Commerce Park in Cedar Park, Texas. Cadence McShane's assignment transformed this original speculative building into a comprehensive research and testing laboratory for vehicles and transmissions. A 15,000 square foot, two-story office addition comprised of matching tiltwall



Developer, TIG Real Estate Services, Inc., selected Cadence McShane to complete the expansion and tenant improvements to support the needs of Dana Holding Corporation, the property's full-building tenant at the Scottsdale Crossing Building One (shown above) in Cedar Park, Texas.

panels accented with an expansive window line component was completed. Cadence McShane also constructed additional parking to accommodate 130 vehicles, a service driveway and sidewalks. Pape-Dawson Engineers, Inc., Program Solutions Group, LLC and MDA Engineering, Inc. participated in the Dana Holding Corporation assignment while Studio 8 Architects provided the architectural services for the shell building. □

Cadence McShane Completes Two-School Assignment for Plano ISD

Cadence McShane has completed the renovations and new construction assignments at Brinker and J.M. Daffron Elementary Schools for Plano Independent School District (Plano

ISD). Both projects were completed on occupied school campuses with fast-track construction schedules. Brinker Elementary School was updated and modernized with 67,676 square feet of renovations and 21,048 square feet of new construction. The school features new classrooms, and larger administration areas numerous renovated spaces including the library, kitchen, cafeteria and gym. J.M. Daffron was enhanced with 67,676 square feet of renovations and the addition of 17,000 square feet. The school underwent the reconstruction of its main entryway including a larger entrance canopy and administrative area. Greater flexibility and efficiency is supported with larger classrooms and updates to the kitchen, cafeteria, library and gym. At both elementary schools, Cadence McShane completed exterior improvements to the existing façade together with all associated sitework. PBK provided the architectural services for the Brinker elementary assignment while Perkins + Will served as architect for the Daffron school project. □



Originally completed by Cadence McShane in 2008, the success of the Frisco Independent School District's award-winning Career and Technical Education Center in Frisco, Texas (shown above), has prompted the selection of the firm to complete a sizable 44,090 square foot addition to be completed in June 2015.

Frisco ISD Awards Career and Tech Education Center Expansion to Cadence McShane

Frisco Independent School District (Frisco ISD) recently selected Cadence McShane for the new construction and renovation assignment at its award-winning high school, the Career and Technical Education Center. Located at 9889 Wade Boulevard in Frisco, Texas, Cadence McShane originally completed this high school facility in 2008 but the District's successful programs have necessitated the school's expansion and upgrades. Cadence McShane began the assignment in August with a scheduled completion in June 2015. The firm will complete 44,090 square feet of new construction providing additional multi-purpose classrooms and teacher workrooms, in addition to the expansion of the geothermal well fields to accommodate the upgraded HVAC system within the building. The exterior finishes of the addition will seamlessly integrate with the existing structure that utilized a blend of brick and composite aluminum panels. SHW Group, now Stantec, is providing the architectural services for the assignment. Cadence McShane has enjoyed a long-standing relationship with Frisco ISD providing a variety of construction services including new construction, expansions and renovations at elementary, middle and high school facilities. □



THE DEN (STUDENT HOUSING) – COLUMBIA, MO



RIATA VISTA PHASE I – AUSTIN, TX



SPRINGS AT CORPUS CHRISTI – CORPUS CHRISTI, TX



BRINKER ELEMENTARY SCHOOL – PLANO, TX

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GROVE APARTMENTS – OAK PARK, IL

CONTINUED FROM FRONT PAGE Senior Living

89.8%, its highest level since 2008. NIC also cited that although the harsh winter slowed down construction in the first quarter of the year, new units delivered in 2014 have already increased by 3%.

Assisted-living properties, including freestanding memory care facilities, experienced the largest jump, up 51% from the previous year. This growing assisted-living segment made up 11,681 of the total

senior units under construction, which includes more than 4,000 memory care units underway. The fundamental theme in the senior living market today is “choice”, allowing a continuum of care to be provided at one location – from independent to assisted-living to memory and skilled nursing care, if needed.

The growth in the senior living sector follows a similar pattern as other commercial real estate markets that are responding to an improving economic climate, buoyant

capital market interest, and continuing strengthening of the employment market.

The construction professionals at McShane Construction and Cadence McShane are highly active within the senior living market and have recently delivered projects such as The Lodge of Northbrook independent living community in Northbrook, Illinois, and Legacy at Falcon Point, an independent and assisted-living development in Katy, Texas, among others. Contact our experienced construction pro-

professionals who can provide pre-construction expertise that adds value to your next senior living project. □

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