



Note From Tom - These apartments will not be located within Lovejoy ISD. They will be in McKinney ISD.

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Projects bring big apartment developments to Fairview area

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FAIRVIEW – A few years ago, only weeds were growing at the northeast corner of U.S. Highway 75 and Stacy Road.

Now the tract is sprouting a sprawling mixed-use development.

The Village at Fairview will have enough stores and restaurants to fill a standard shopping mall. And along with the retail, developers are putting up luxury apartments in more than a dozen buildings.

The Fairview rental properties – along with another project just to the south in Allen – are bringing almost 700 rental units to an area that has had very few apartments.

"We think most of the residents will be working in the 75 corridor," said Steve Stamos, an officer with apartment developer Fairfield Residential. "We've opened the first 116 units, which are located on top of retail.

"We already have some folks moving into those," Stamos said. "We are doing plenty of preleasing and like what we are seeing up there so far."

Building an apartment market where none existed before is always a dicey endeavor – even more so in a down economy.

But the builders of the huge Village at Fairview complex always wanted more than just retail on the high-traffic corner just south of State Highway 121.

"The apartments are part of what you need for the environment we are creating," said developer Gar Herring of MGHerring Group. "You have to have a place with a lot of energy.



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Photos by LARA SOLT/DMN
The Village at Fairview will have about as many stores and restaurants as a standard shopping mall. But the mixed development also includes luxury apartments - a first for the Collin County town of Fairview, whose motto is 'Keeping it country.'

"The people living there create more activity, which extends the hours and creates more sales for the retailers."

The project will need a lot of sales to succeed.

Department store anchors J.C. Penney and Macy's have already opened, and by next spring, there will be a Dillard's and a multi-screen cinema.

Construction started in March 2007 on the 200-acre development, which is being built in a partnership between MGHerring and a unit of Prudential Insurance.

Herring said most of the retailers his firm has attracted to the project want to be in a mixed-use complex, "and residential is a big part of that."

Recession concession

Apartments are also a big draw at the Watters Creek development 3 miles south of Fairview at U.S. 75 and Bethany Road.

Developer Trademark Property Co. included 233 luxury rental units on the upper floors of buildings with 350,000 square feet of retail space and offices.

The Lofts at Watters Creek rental units range from about 1,000 to more than 1,400 square feet and rent for between \$1.25 and \$1.35 per square foot.

So far, about 70 percent of the units are leased.

"We started leasing last October and have leased about 15 units a month, which is what we expected," said Trademark CEO Terry Montesi. "We have had to give a month free rent – a little more concessions than we forecast."

Given the recession, which has caused thousands of layoffs in North Texas, apartment developers leasing new projects across the region have lowered their expectations.

The new rental projects in Fairview and Allen face obvious challenges, said Greg Willett, vice president of research for Carrollton-based apartment analyst MPF Research Inc.

"Both projects are great developments, and they should draw some residents just by offering a lifestyle choice that hasn't been available in that area previously," Willett said. "But the job base that far north is very limited.

"And new supply totaling that many units is simply a lot to digest quickly in an untested market."

To attract renters, Fairfield has been offering a couple of months' free rent at its Fairview rental complex, Cortona.

"Like everybody else, we have certain types of concessions," Stamos said. "Watters Creek is probably our best competition."

The Cortona's average apartment has 912 square feet and rents for \$938 a month.

Along with the units over the shopping center, Fairfield is building more than 300 apartments in freestanding buildings on the north side of the shopping center.

"There are walkways that will link it to the retail and other parts of the development," Stamos said.

Adding variety

The Village at Fairview units are the first apartments in the Collin County town, whose motto is "Keeping it country."

"We've traditionally had big houses on big lots, and we need a variety of residential stock," said City Manager John Godwin. "The apartments are part of the overall mix we are trying to get."