

EXCLUSIVE Last updated: May 8, 2008 08:33am

Hermansen, Rosewood JV on \$50M Boutique Center

By [Connie Gore](#)

FLOWER MOUND, TX-Hermansen Land Development, with equity backing from Rosewood Property Co., has started the permitting process for the Plaza of the Oaks, a \$50-million boutique mix of retail and office. In perhaps its first retail-weighted investment, the JV partner has just come on board in the past week after six months of negotiations.

Dallas-based Rosewood's traditional playing field has been hotels, resorts and office buildings. "We are very honored to have them as our partner, which makes it the most distinct retail project in Dallas," Kirk Hermansen, founder of the Dallas-based development group, tells GlobeSt.com. "We approached them. It seemed like a good fit." He expects the 10-acre Plaza of the Oaks will break ground in roughly three months at the intersection of FM 407 and 2499, right across the street from the Shops at Highland Village, which he co-developed with the Jacksonville, FL-based Regency Centers Corp.

Hermansen says the Plaza of the Oaks will be marketed as a Rosewood-branded retail development. Its design calls for 80,000 sf of retail and 15,000 sf of second-floor boutique office. Hermansen isn't ready to disclose any tenants' names, but it will be "high-profile local and national retailers, one of a kind to the market," he guarantees, hinting that one's from Las Vegas. "I don't think we'll be waiting on the leasing to get started. The activity has been strong." The project is penciled for a fall 2009 delivery.

"Our goal here is to create a specialty retail and luxury office project in the town of Flower Mound and the trade area," Hermansen explains. "We don't want to compete with the Shops at Highland Village."

The 352,000-sf Shops at Highland Village opened in September 2007. In recent days, the leasing team has disclosed deals with Ben & Jerry's, WIK Candle and Blue Goose Cantina. The tenant roster has surpassed 60 in a mix of national and local retailers and restaurants.

The Plaza of the Oaks will keep a stand of four 40-inch diameter trees as part of site planning with the city. Hermansen says the tree canopy is being preserved and expanded. "The site work will take longer than normal due to the tree requirements," he says, adding that there will be more trees than they started with once the project is done.

Hermansen says the Plaza of the Oaks site was bought at the same time as the neighboring center's dirt, but he held the 10 acres for himself. A cross-access agreement has been secured with the next-door neighbor, Super Target; the two also will share an entrance.

Hermansen spent 18 months working his plan through the zoning process. "We try to take a collaborative approach and not fight cities over a particular piece of property," he says. "We were successful within doing that here [and in Frisco](#)."

Fox Design Group of Tulsa designed Plaza of the Oaks, building in water features, terraced parking lot and infinity edge pond with al fresco dining for the restaurant lineup, which is projected to be

30% of the roster. Environs Group of Lewisville, TX is the landscape architect and its affiliate G&A Consultants Inc. is the civil engineer. The general contractor has yet to be picked.

The Plaza of the Oaks' leasing team is Mike Geisler, founding partner of Dallas-based Venture Commercial Real Estate LLC, and vice president Easley Waggoner Jr. and associate Jane Ann Stockton. As the project moves toward permitting, the team's quoting \$25 per sf to \$35 per sf for the preleasing chase.

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