

THE STATE OF MORRISVILLE: LARGE COMMERCIAL, RESIDENTIAL PROJECTS SET TO SPROUT

Published: September 19, 2008 - By Maria J. Mauriello

Morrisville has largely escaped the construction slump and is a rare Wake County town that saw an increase in building permits in fiscal 2008 compared to the previous year.

Mayor Jan Faulkner says that while there are no large projects awaiting approval, town officials are currently reviewing a report from Morrisville's Land Use and Transportation Plan committee to determine the amount of remaining land available for development.

Much of the new development is in the form of mixed-use projects. "These developments enable people to live, work and play at home instead of traveling to Brier Creek or Crossroads," says Faulkner. "From the town's perspective, the development increases our tax revenue and is helping to fund much needed improvements to Morrisville's roads and infrastructure."

The following are five major construction projects under way in Morrisville:

PERIMETER PARK

What was once barren land has been transformed by office and residential buildings as Morrisville has grown. Among the earliest construction was Perimeter Park, which began more than 20 years ago when the town was a "no-man's land," says Jeff Sheehan, senior vice president of Duke Realty, the development's owner. "As the Triangle has grown, Morrisville's central location has attracted a lot of corporate interest, particularly in the last five to six years," he says.

New additions to Perimeter Park include Perimeter One, the largest speculative building developed on Interstate 40, which was completed in November. The five-story, 204,000-square-foot office project boasts 42,000-square-foot floor plates. "It's a distinctive feature that enables large companies to expand without splitting operations between floors," Sheehan says. Perimeter One, a \$30 million project, is on track to be more than 90 percent leased by year's end. A second speculative project – 2250 Perimeter Park Drive – was completed early this month. The 106,000-square-foot, three-story building cost \$17 million and is about 65 percent leased.

Lenovo and Time Warner Cable are adding corporate buildings in Perimeter Park. The Market at Perimeter Park, a \$25 million retail project, will include a Duke University Medical Center building, a Hotel Sierra and several shops and restaurants. Construction of the medical building and hotel will be completed by the fourth quarter of 2009, and construction of the retail portion will begin in the first quarter. Duke Realty also has purchased an additional 130 acres within Perimeter Park that can be developed into 1.5 million square feet of office space. "We'll continue to build as long as companies continue to grow and create jobs," Sheehan says.

LARGE COMMERCIAL, RESIDENTIAL PROJECTS SET TO SPROUT,*page 2 of 3***GRACE PARK**

Grace Park was the first project to be approved under Morrisville's zoning ordinance approved by the town council on June 27, 2006. Located at the corner of Morrisville Carpenter Road and Davis Drive, the approximately 250,000-square-foot development includes 50,000 square feet of upscale shops and more than 180 residential units, including traditional townhomes, garden apartments, brownstones and condominiums.

The development's "main street ambience" is pedestrian-friendly with residential units integrated into the retail/office space, according to Natalie Coleman, vice president of marketing for EYC Companies, the project's developer. "Six of the seven buildings have rental urban flats located on the second and third floors, above retail shops," she says.

"There is a live and work aspect to Grace Park that harkens back to the traditional community where you can find everything you need – food, entertainment, fitness etc., nearby."

Grace Park's first of seven residential buildings has been completed, and Coleman says that 10 percent of the residential units are pre-leased. EYC's project cost totals nearly \$32 million, which does not include builder Phelps Dickson's cost to construct townhomes. EYC will spend \$2 million to add turn lanes to Morrisville Carpenter and Davis Drive. It will fund traffic lights at the intersections of Morrisville Carpenter and Davis Drive and Lake Grove Boulevard and Davis Drive.

TOWN HALL COMMONS

A partnership between White Ventures and Morrisville splits the infrastructure costs of Town Hall Commons, a 270-acre development under construction adjacent to McCrimmon Parkway. The development will include commercial, residential, retail, government and education buildings within a single community, including 530 homes built by Centex Homes and the new Cedar Fork Elementary School. White Ventures will spend \$5 million to widen McCrimmon Parkway, install several traffic signals and build a new roadway – Town Hall Drive – as part of the project.

"In development, you have to strike a balance between density and the need to fund infrastructure," says Ed White, owner of White Ventures. Construction at Town Hall Commons has been under way for two years and is "on schedule," says White. A 15,000-square-foot child care center – Kids R Kids – on the north side of McCrimmon Parkway is open for business. Centex has completed 425 of the 530 homes and is working on the last phase of the residential development. The first office building (75,000 square feet) is completed and fully leased, and construction of a second building of the same size will begin in spring 2009, subject to demand, White says.

LARGE COMMERCIAL, RESIDENTIAL PROJECTS SET TO SPROUT,*page 3 of 3***PARK WEST VILLAGE**

Morrisville approved the Park West Village project in January. The nearly 100-acre property will include about 750,000 square feet of retail space, 50,000 square feet of offices, a 140-room, five-story, business class hotel and up to 321 apartments. Construction will start this fall, and expected completion is spring 2010. Developers 1st Carolina Properties and Casto Lifestyle Properties will invest \$4 million to \$5 million to widen N.C. 54 from two to four lanes between Weston Parkway and Cary Parkway and add controlled intersections on these roads.

Park West Village will include a mix of anchor tenants, upscale restaurants and retail stores, says Connell Radcliff, president of 1st Carolina Properties. He notes the development will feature the area's first Buy Buy Baby, a 30,000-square-foot specialty store for infant and toddler apparel, furniture and accessories. "Park West Village was chosen as the initial site in the Carolinas for this concept primarily because of Morrisville's compelling baby boomer demographics," says Radcliff.

SHILOH CROSSING

A Sam's Club and a Wal-Mart store are under construction at the northeast intersection of N.C. 54 and Interstate 540. A majority of this more than 115-acre project lies in Morrisville, and about 19 acres are in Durham.

Those projects comprise 11 outparcels. Developer Angeloni Development has not submitted plans for the remaining outparcels. Both stores are scheduled to open in the first quarter of 2009. Angeloni Development plans to widen N.C. 54 and add traffic signals in the area.