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Success of Museum Tower venture still up in the air



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In the midst of the Great Depression, visitors to New York couldn't help but scratch their heads at the construction on Fifth Avenue.

Construction began on the 102-story Empire State Building just three months after the great stock market crash.

With people jumping out of buildings and bread lines forming, it hardly seemed the right time to put up the world's tallest tower.

It took less than 18 months to build the mammoth skyscraper, and the economy wasn't in much better shape by the time it opened. The owners initially made more money charging tourists for rides up to the observation deck than they did in office rent.

The Empire State Building didn't turn a profit until 1950, but its construction was hailed as an optimistic gesture during the depths of the country's worst economic calamity.

The art deco-inspired tower is still one of the world's landmark buildings.

Eighty years later, in another economic mess, developers will begin work on another grand building next week.

This one is in Big D instead of the Big Apple.

The 42-story Museum Tower set to start next week in downtown's Arts District already has tongues wagging.

"Everyone knows that the condo market in Dallas, especially the million-dollar



Brook Partners and Turtle Creek Holdings

Critics question whether the 42-story Museum Tower, shown in an artist's rendering, will prosper in Dallas' condo market. Work is to start next week on the Arts District project.

critic wrote when the project was announced.

"Yeah, exactly what downtown Dallas needs. Another 100 overpriced condos that can sit vacant for years," said another critic.

Indeed, the timing seems a bit questionable.

The nearby House condos in Victory Park and Ritz-Carlton Tower Residences are still mostly unsold. And with prices beginning above \$1 million, Museum Tower will arguably

Texas.

Developers who've toiled for more than a decade to kick off the project say their timing is actually good.

They point out that construction costs are low and that it will take them almost three years to finish the \$200 million tower.

By launching the building at the bottom of the economic cycle, they hope to finish in better days.

Usually these developments work out just

boom times and the grand openings are held during a slump.

"We think now is a very good time to get started," said Museum Tower partner John Sughrue. "Betting on Dallas has been a very good bet in the last 10 years, and we are expected to continue to lead the country in job and population growth."

And regardless of how the economics of the deal work out, Museum Tower — like the Empire State Building in its

market, is soft, and mark my
word, this project will fail,' one
be the most expensive
high-rise address in North
the opposite. The
groundbreakings are during
day – will dramatically
change the Dallas skyline.