

801 S. Highway 78 Wylie, TX 75098

Proposal and requested variances to CR zoning to allow for a majority 55+ residential development



Description Of The Site

- **Address:** 801 S. Highway 78, Wylie, TX 75098
- **Site Size:** 20.01 acres
- **Asset Type:** Multi-tenant office/medical property
- **Built:** 1985
- **Renovations:** 1999, 2003, 2006, and most recently 2021
- **Configuration:** Two buildings with 27 total units
- **Parking:** 227 total spaces (110 concrete)
- **Use Mix:**
 - 72% medical space
 - 28% conventional office space
- **Zoning:** "CR" – Community Retail District



RMWC Overview

RMWC Overview:

- Commercial real estate lender providing mortgage, mezzanine, and preferred equity capital nationwide.
- Founded in 2011
- Leadership & Base:
 - Coleman Andrews
 - Co-founding Partner of Bain Capital with diverse experience at Bain Capital and Bain & Company
 - Steven Fischler
 - Front-line real estate investing and asset management at Lehman 2004-2011 in growth and recovery periods and now focused on origination, underwriting, and asset management
 - Offices in Richmond, VA, Cleveland, OH, and New York, NY

The logo for RMWC, consisting of the letters "RMWC" in a bold, teal, sans-serif font, centered within a white rectangular box with a thin grey border.

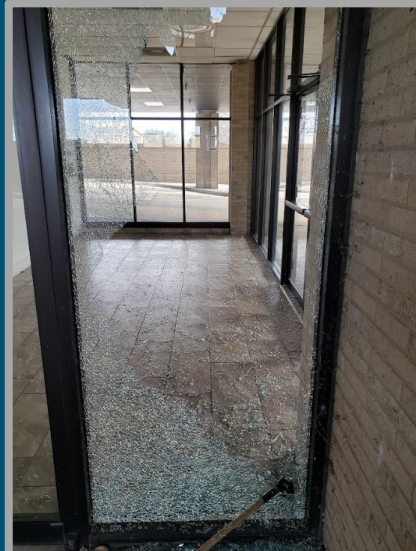
Property History

- The Property was previously owned by Golden Harbor Ventures, led by Ryan Cole.
- RMWC closed a \$10.0MM loan in August 2022 to refinance an existing loan and reserve proceeds to fund tenant improvement costs for new leases and common area improvements.
- Following Borrower defaults and subsequent bankruptcy, RMWC foreclosed and assumed ownership of the property in October 2023.
- RMWC initially engaged Wynmark Commercial, a local commercial real estate firm with a specialty in Medical Office brokerage services to market the property for lease and sale.
- No offers were received, and the market feedback was that the building design and systems were outdated and there was limited demand for more hospital uses.
- The building is now considered antiquated and would require a significant capital investment compared to its replacement cost for a new build.
- RMWC, following meetings with city officials, initially explored a retail redevelopment (met with brokers, progressed site plan, attended ICSC), but limited frontage and floodplain constraints made retail unviable.
- RMWC's property manager, Chase Real Estate Services, monitors and secures the site, but the vacant building has become a target for trespassers and thieves.

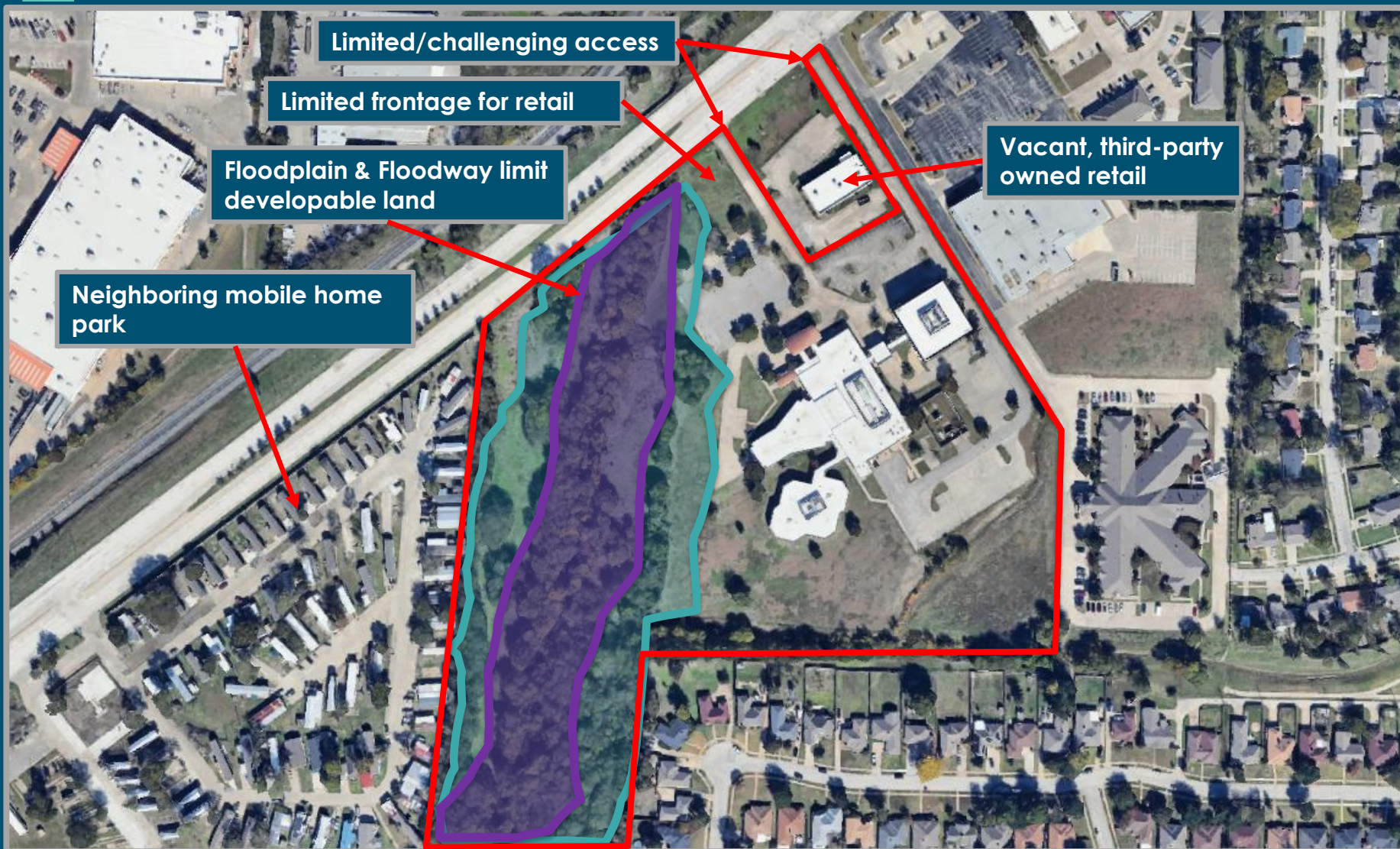


Property Condition & Challenges

- Extensive vandalism: windows broken for forced entry, lobby glass smashed, and fire extinguishers sprayed
- Significant theft: stolen exterior AC unit, and copper/wiring theft from rooftop AC units, main breaker panels, and equipment.
- Evidence of squatting and drug use.
- Multiple police reports filed and onsite meetings with police.
- Criminal activity continues despite nightly police patrols and RMWC's attempts to repair issues and secure the site.



Site Challenges



Market Analysis + Conceptual Site Plan

- Given medical and retail uses were not feasible, RMWC began to explore other alternatives.
- Noell Consulting Group** was engaged to conduct a market study for 801 S. Highway 78, exploring alternative development options.
- Their analysis recommended a well-amenitized community featuring:
 - 70 for-sale townhomes
 - 175 active adult (55+) rental apartments
- KFM Engineering & Design** was engaged to evaluate feasibility and prepare a conceptual site plan.
- KFM determined that a combined for-sale and for-rent development on the same site was not feasible due to flood zone constraints and access, and therefore developed two separate proposals, which are being presented today.



For-Sale Townhome Proposal

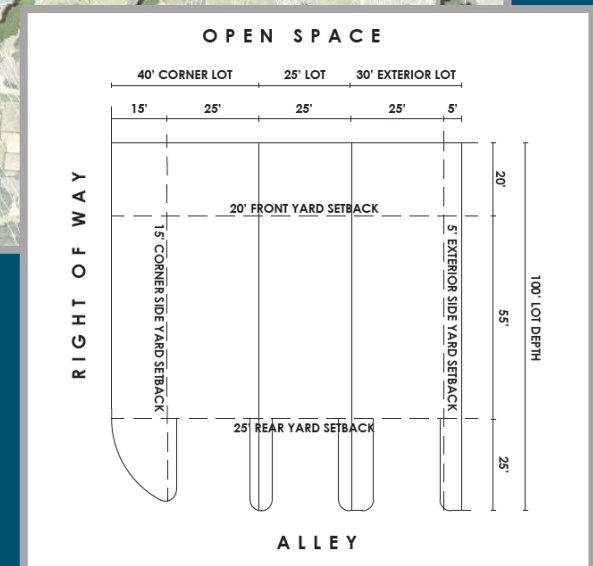
- 104 for-sale townhome units
- 25' x 100' lots
- 20% of the townhome units will be reserved for 55+ residents, featuring first-floor master suites

Variance required for development:

- A variance will be required for the 25' lots, as current high-density residential zoning for townhome use mandates a minimum 30' width.

Concern with this option:

- Lot sizes do not easily accommodate a garage, kitchen, living room, and master bedroom all on the first floor.
- While RMWC believes there is market demand for this option, it is less feasible due to lot sizes, limited amenity offerings, and flood zone constraints.



Multi-Family Proposal

- **324 Garden Multi-Family units with a pool, clubhouse, dog park, walking trails, and elevators in each building**
- **175 (54%) units will be reserved for active adult 55+ residents**
 - Noell Consulting Group identified market support for approximately 175-200 active adult (55+) units.
 - Targeting 55+ residents reduces the number of families and limits the impacts to schools and traffic.
- **542 total parking spaces**
- **Benefits of multi-family development on this site:**
 - Direct access via Highway 78 to major employment centers in Dallas, Plano, and Garland.
 - Excellent proximity to grocery options, including Kroger, Tom Thumb, and Walmart.
 - Conveniently located near dining and retail destinations, including Downtown Wylie, which offers a variety of local restaurants and entertainment.
 - Opportunity to incorporate desirable on-site community amenities, including a walking trail and park space.



Multi-Family Proposal

- **Variances required for development:**
 - **Parking Requirement:**
 - Variance from Section 5.2 of Article 5 in the City of Wylie Zoning Ordinance to reduce the parking space requirement from 2 spaces per unit to 1.5 spaces per unit.
 - 542 requested vs 648 required
 - **Density Limitation:**
 - Variance required to accommodate 324 units, exceeding the maximum 15 dwelling units per acre (DU/AC).
 - 324 requested (16.2/ac) vs 300 allowed (15.0/ac)
 - **Retail Exclusion:**
 - Per CR Zoning, multi-family uses are allowed so long as they are part of a mixed-use development. Given limited frontage, the proposed project excludes retail.
 - **Building Height:**
 - Variance from the maximum building height of 36 feet and two stories to allow for four stories.



Multi-Family Proposal

- RMWC is **requesting approval** to proceed with a 324-unit multi-family development, including 175 age-restricted (55+) units and the required variances outlined.
- Discussions with local brokers confirm there is **strong market demand** for both the multi-family and 55+ components.
- This approach provides the **most feasible path forward** for activating the site while aligning with market conditions, site constraints, and the City's long-term planning objective of creating amenity-rich developments.



Thank you!
