

New Heritage Realty

Real Estate Ventures that Make a Difference

First Title Real Estate of Dallas, TX, today announced the formation of New Heritage Realty. This new firm will operate as an independent Limited Liability Company, and is the newly created entity will take over and expand the work of the former Historic Restoration Division of First Title.

Jim Blacker, CEO of First Title, comments, "We have found the nationwide interest in quality restoration work is rapidly expanding. Additionally, many clients who are familiar with our work have sought out original concepts for new construction that reflects a proud architectural heritage."

To respond to this need, we have spun off this division and created a truly world-class management team. In addition to the current staff, which boasts of dozens of successful projects that have won numerous awards, we have added a number of highly recognized experts in several fields of historic restoration. Of course, our many clients and members of the real estate industry will recognize our long-term managers:

- Bill Clarkson. Bill came to First Title more than two decades ago and has served as one of our most trusted project managers. Bill took on the challenging restoration of the famous Maple Leaf Hotel downtown, and has overseen a host of successful projects since completion of that award-winning and highly appreciated project.
- Mary Waterson. Mary joined Bill as lead designer on the Maple Leaf job straight out of UT as a promising architectural historian. She is now nationally known for her ability to research and replicate the details of virtually any historical building or structure.
- Mac Williams. Although we hate to lose Mac from the overall management team at First Title, he has been instrumental as the liaison between the division, local governments and agencies, and our financial team. He will be instrumental to ensuring the new entity has the full support of both our customers and our financial partners.

In addition to these and more than 22 former First Title team members, we are also excited to announce the addition of:

- Melinda Scott. Melinda will lead the team that is focused on creating new villages and town centers that create an air of historic reality updated for today's market. She has been involved in and managed several major projects, including the creation of Disney's Celebration master-planned community near Disneyworld.
- Jim O'Brien. With a career of working with historic organizations and overseeing major restoration efforts for nonprofits, Jim will work with our sales team to identify and develop other significant projects nationally and around the globe. Jim most recently was employed by the city of Fort Worth while managing the magnificent work being done in Near Southside.

As noted, the primary mission of New Heritage has two overarching elements. First, the company will continue with and significantly expand its work with true historical structures. This will include protecting and preserving certain properties, while it will involve repurposing and giving new life to other projects.

We have found there are a number of valuable properties that mean a great deal to their communities and represent a significant portion of what you might call local DNA. However, many of these fine old buildings, and a large number of homes, have outlived their usefulness and are, in fact, in serious violation of their local codes.

In the first instance, we work to update and restore structures to their original condition, using as many of the original elements as possible. In fact, we have probably the best team of scavengers in existence, and they are responsible for looking at flea markets, salvage yards, and every place imaginable to find just the perfect door knob, window, or fixture to complete a realistic restoration.

For our repurposing projects, we will work with the clients and local officials to protect and preserve the spirit and essence of a structure while totally updating it. We have found we can add value to these structures while keeping the uniqueness they possess. In fact, many of these projects are totally pre-leased before we start construction due to their high emotional draw for both locals and national tenants alike.

We are also very excited about our second mission, that of bringing a historic appeal to totally new communities, structures and homes. Depending on your generation, historic means a lot of different things. We have successfully recreated the look and feel of turn of the 20th century downtowns, and we have also been involved in more modern projects, such as restoring a collection of art deco hotels in Miami.

We are currently in various stages of four different projects that include a downtown for a major new development, two new residential projects, and the total rebuilding of a four-block area of a major metropolitan downtown site.

The elements of our success in these efforts are really based on three of our more unique strengths. These include:

1. Extensive and in-depth knowledge of historical architecture and trends. We work with academics, experts and local authorities around the globe to ensure we have original drawings, pictures, and even material specifications for all of our projects.
2. Uncompromising attention to detail. We attract and develop true artisans who take great pride in their work. These are not just builders and painters, but craftsmen who labor every aspect of every project.
3. Centuries of experience. While we have only been focused on these projects for a little over two decades, we have more than 500 years of experience in such work present in our team. In fact, with our new additions, we will be adding many more years of such experience that simply cannot be found or replicated in any other firm in our niche.

New Heritage Realty will undertake the full spectrum of activities related to the buying, selling, restoring, and developing of historically-oriented projects. Additionally, we will continue and expand our role as consultants to agencies, government, not-for-profits, and historical organizations around the world. We take great pride in our extensive network of individuals and organizations who are involved with this field, and we look forward to sharing our expertise through participation in regular conventions and seminars.

We will be also expanding our online resources and libraries. We document each of our projects and have interns from SMU, UT and Texas A&M that work with our teams to provide extensive web-based resources for clients and others interested in this field.

Additionally, we have engage Premier Media to produce a three-part documentary on the role of architecture in America as well as its historical roots. We will use this documentary to produce an ongoing series of webisodes, and as a marketing tool for local governments and agencies to better envision how to protect their heritage while adapting to new market realities. As a final use of this project, we will include provide an audience for many of the experts and academics with which we work to better publicize and support their work.

In concluding his comments, Blacker adds, "Due to the unique aspect of this venture, we are taking steps to ensure our current stakeholders benefit while creating incentives for those who will create the long-term value in the ventures.

Accordingly, First State will retain 40 percent equity interest and three of the seven board seats. Additionally, Capital Trust, our sister REIT, will assume one of the board seats and a 20 percent equity position for the commitment of a \$150 million working line and a \$10 million capital infusion. The remaining officers and stakeholders of the new entity will 1) be granted shares and equity and 2) be afforded the opportunity to participate in the to-be-established ESOP plan.

We anticipate much of the growth of New Heritage will be based on both joint ventures with major projects and self-funded projects of a significant scope. Of course, where appropriate, we look forward to the resources and contacts of First Title to come into play to support this growth. Of course, we will continue to find some projects related to this niche that will remain under our umbrella with the assistance and involvement of the unique capabilities of the staff of New Heritage Realty.

<http://www.preservationdirectory.com/preservationbusinessesproductsservices/businesscategories.asp>

<https://www.kielthomsoncompany.com/expertise.html>

http://www.christmanco.com/historic_intro.asp?mid=5