

Downtown Dallas



DOWNTOWN
DALLAS INC

Downtown Dallas State of the Market

July 2025

**Downtown Dallas, Inc. (DDI) is the
principal advocate, champion, and
steward of Downtown.**

Founded in 1958 as the Central Dallas Association,
we are a private 501c6 nonprofit.



**15k
Residents**

**51
Residential
Properties**

**140
Commercial Office
Buildings**

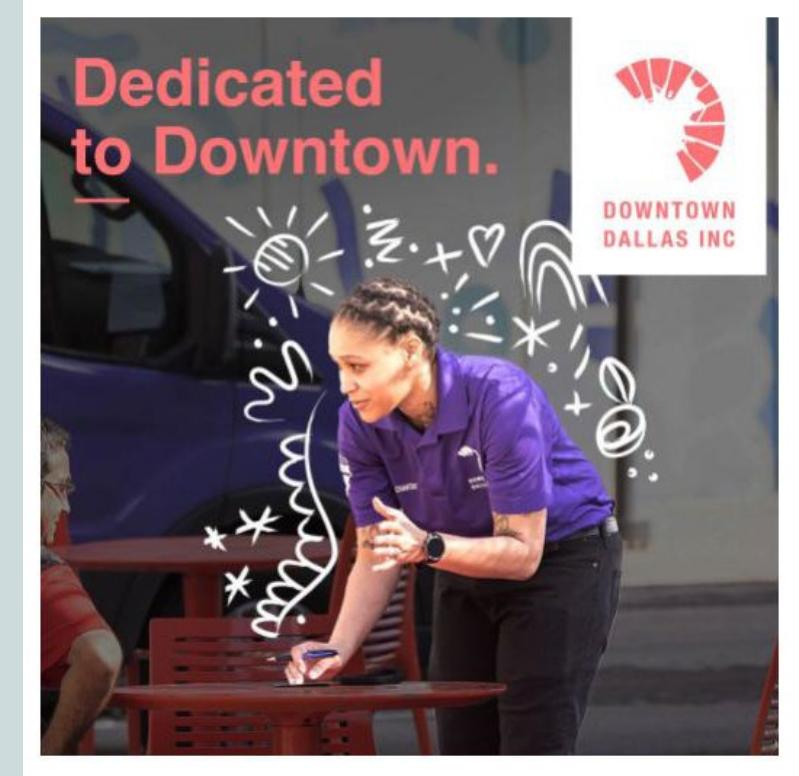
**30
Hotels**

Downtown Dallas, Inc.

The Downtown Improvement District (DID), is DDI's primary source of funding.

Property owners inside the freeway loop pay an annual assessment for enhanced security, clean, and homeless outreach services, as well as parks operations and programming, and Downtown marketing and business recruitment.

Our remaining funding comes from membership dues, annual fundraisers, and sponsorship programs.



Downtown by the Numbers



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\$6 billion active development

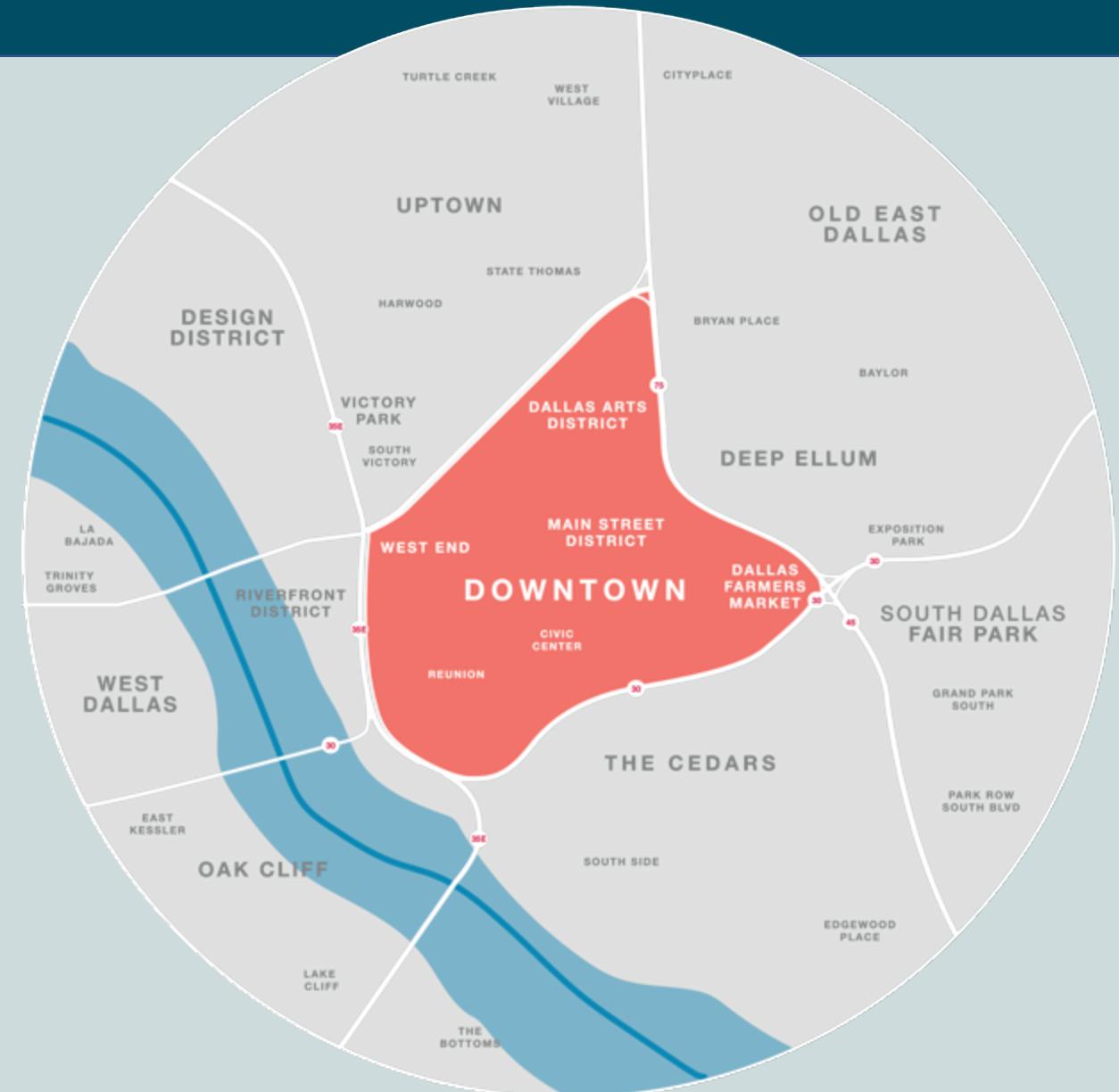
15,000 Residents

50 Residential Properties

140 Office Buildings

34M Sq Ft Office Space

30 Hotels





Unveiling the Market:

**Key insights into the
Downtown commercial real
estate market**

The background features a series of abstract, overlapping geometric shapes in a light gray color. These shapes include various sizes of rectangles, squares, and triangles, some with internal grid patterns. They are arranged in a dynamic, overlapping composition that creates a sense of depth and movement across the dark teal background.

Office

Commercial Office

DFW enjoyed a decrease in class A vacancy for the third straight quarter.

With only 2.8 M sf of new product under construction across the metroplex, current Class A structures will see active leasing from finance firms and related industries moving into the area.

The CBD has seen increased leasing activity with more than 260,000 sf of leasing in Q2. Full-floor leases representing new tenants, and renewals were tracked throughout the submarket.

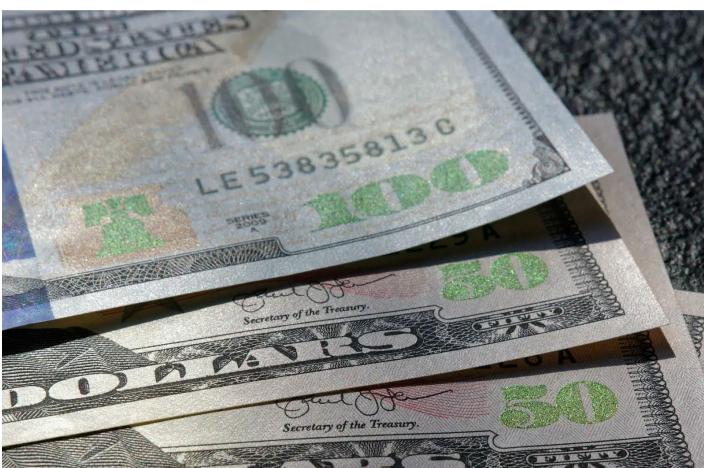


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Nasdaq regional headquarters coming to
Dallas



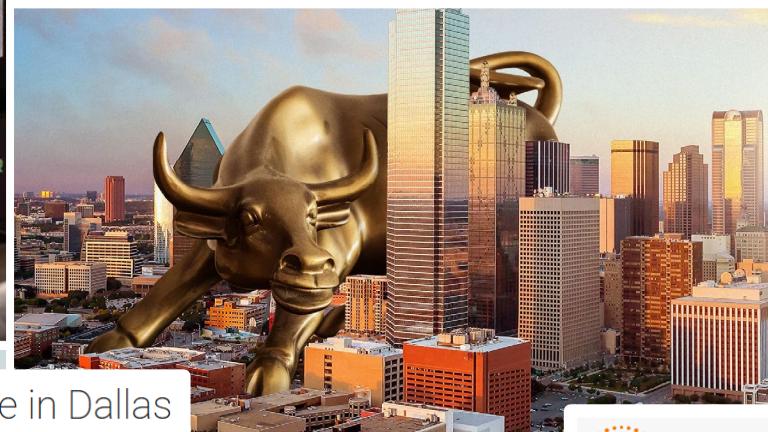
New York Stock Exchange will open office in Dallas



Y'ALL STREET

Texas Monthly

Y'all Street Is Open for Business



A photograph of the iconic golden bull statue, known as the Charging Bull, located in the Dallas skyline. The statue is positioned in the foreground, with the city's skyscrapers visible in the background under a clear sky.

REUTERS®

Texas Stock Exchange files to operate nationally, eyes trading in early 2026



A photograph of several US dollar bills, including a \$100 bill and a \$50 bill, stacked together. The bills are shown from a slightly elevated angle, with a red and white blurred background.

Y'ALL STREET

STREET

- NYSE Texas has already begun listing stocks.
- NASDAQ currently lists more than 200 Texas companies.
- Texas has the most NYSE listings of any state.
- Exchange markets looking to take advantage of recent growth in Texas.
- TXSE target opening in 2026.



Commercial Office Snapshot

Total Downtown office stock has contracted by 3.8% to 34 million sf. Downtown Dallas is still the most dense office market in DFW.

- CoStar reported 26 deals Downtown totaling 205,285 sf in Q2 2025
 - Q2 of 2024 CoStar reported 36 deals totaling 486,572 sf
 - 2024 was buoyed by the 211,087 Santander lease
- CBRE reports negative net absorption of (-60,646) sf in Q2.
 - CBRE reported (-343,046) in Q1
- Avg. Gross Asking Rent for deals done in Q1 averaged \$39.94 p/sf
 - Deals in Q1 of 2024 reported \$36.03,
- Office leasing activity is increasing across DFW, Class A rental rates are rising as premium markets fill up. The CBD continues to draw attention from large relocations.

source: CBRE & CoStar

Quick Facts

- Over 24M sf of occupied space (occupied space alone would be 4th largest submarket in DFW)
- 4.5M sf of office converted or demolished since 2010
- Over \$9B in total office asset value (#2 in DFW)
- Current CBD Market Rent: \$30.48 (+1.2% over prior quarter)
- 26.9% Vacancy (2nd highest in DFW)

Dallas Arts Tower

Fortis Property Group has begun a multi-million-dollar renovation to the Dallas Arts Tower. The project includes upgrades to the main lobby and mezzanine, exterior lighting, valet parking, and a new, all-day, café. Elevator lobbies and interiors will also be updated.

These updates follow the building's 2019 improvements which brought a redesigned vehicular court, a new fitness center, conference facility, and a sky lobby on the 40th floor.

The project is being designed by Entos Design and managed by Northgate Construction.



Dallas Arts Tower

Notable Leases 2025



Name	Size	Building	Deal Type
KERA	12,078 sf	One Arts	New
Lewis Brisbois	15,769	2100 Ross	Renewal
HNTB	26,175 sf	Ross Tower	New
JBJ	9,500 sf	1700 Pacific	Renewal / Expansion
Gigabit Fiber	8,000 sf	400 S Akard	New
Turner Construction	8,626 sf	Founders Square	New
Willow Bridge Property Co	39,238 sf	One Arts	New
Sowell & Co	20,150 sf	Ross Tower	New
46Labs	25,104 sf	Factory Six03	Sublet
Burns Charest	30,000 sf	Bank of America	New
Carrington Coleman	50,802 sf	Dallas Arts Tower	New
Meadows Collier Reed	25,902 sf	Dallas Arts Tower	New

Office Vacancy - National Comparisons

District Name	Total Inventory (sf)	% Vacancy (Trend)
San Francisco Financial District	31,846,716	29.6% 
Denver CBD	29,906,334	31.5% 
Seattle CBD	38,148,215	30.9% 
San Francisco S. Financial District	31,705,970	27.8% 
Atlanta Midtown/Pershing Point	41,268,934	25.4% 
Chicago East Loop	29,377,073	27.4% 
Atlanta Upper Buckhead	22,363,250	26.5% 
Downtown Dallas	34,786,266	26.8% 
Downtown Atlanta	40,809,882	18.0% 
Chicago Schaumburg Area	33,674,171	24.5% 
Uptown Dallas	18,033,053	20.0% 
Dallas Upper Tollway/West Plano	42,047,888	23.5% 

Comparison- Downtown Dallas submarket occupied sf: 24.1M
 Uptown/Oaklawn total submarket sf: 18.2MM

Office tenants are leasing with confidence. Tenants have made their decision going forward whether it be full time office, flexible schedules, or work from home, companies have made their decisions and brought a new normalcy to the market.

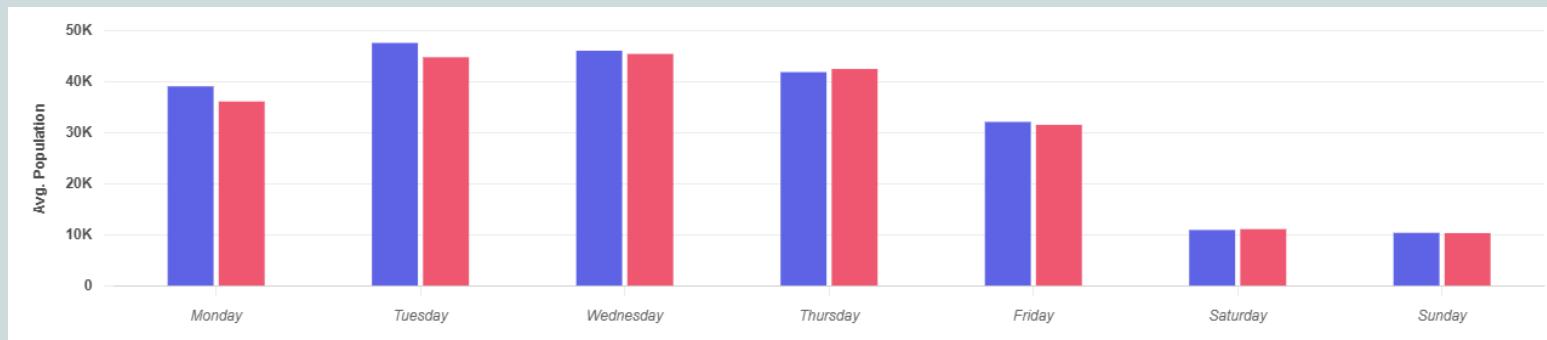
Short supply has helped existing Class A structures. Stalled office development due to RTO uncertainty and rising construction costs has given owners of older office stock an opportunity to reinvest and lure new tenants.

Downtown Daytime Population

Placer.ai data shows that the CBD is averaging about 1,000 more employees per week than the first half of 2025. .



Employees are coming in earlier in the week and flexing Thursdays. Fridays trail Tuesdays by more than 15,000 employees.





Multifamily

Multifamily

Multifamily construction has slowed to a 10 year low in 2025 with roughly 24,500 units under construction across DFW as of Q2.

Current growth is concentrated in the Northern suburbs hosting almost 40% of current construction.

Rents are still receding as vacancy across the metroplex hits 12.0%.

Closer to the core, there are approximately 4,500 new units under construction.



Modera St. Paul



Multifamily Snapshot



- Current Multi-family occupancy: 88.9% (-0.9%)
 - Pearl Lofts stabilized, Modera St. Paul recently delivered. Mosaic & Mayflower are renovating. Parc on Jackson under construction (expected delivery Q4 2025).
- 45 Existing buildings with 10,334 rental Units
- Avg. Market Asking Rent p/unit: \$2,217 (\$1,225 - \$5,279)
 - Down \$33 from Q1 2025
- Avg. Market Asking Rent p/sf: \$2.26 (\$1.33 - \$3.44 p/ft)
 - Down \$.02 from Q1 2025
- Avg. market unit asking rents down 5.41% from peak in 2022
- Units Under Construction: 182; In the pipeline: 3,412
 - Estimated Downtown population upon completion of all projects: 20,400



Downtown Residential Summary

Estimated Population



15,474

Total Rental Units



10,334

Total Condos / Townhomes



838

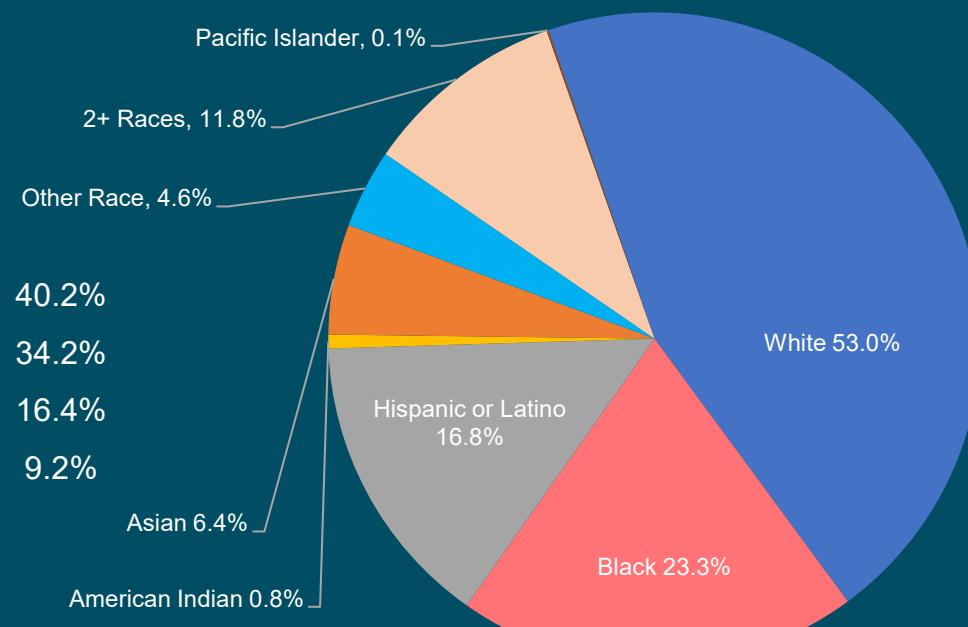
Average Household Size



1.46

Household by Type

- Male Householder: No Spouse
- Female Householder: No Spouse
- Married Couple
- Cohabiting Couple



Demographics

Primary Age Groups

- 0 – 4 2.3%
- 5 – 9 1.6%
- 10 – 14 1.2%
- 15 – 19 1.2%
- 20 – 24 8.1%
- 25 – 34 42.1%
- 35 – 44 18.2%
- 45 – 54 11.0%
- 55 – 64 9.4%
- 65 – 74 3.9%
- 75 – 84 0.8%
- 85+ 0.2%

Gender





Retail

Retail Openings Through Q2 2025

Name	Building / Address
Boxed & Brewed	400 Ervay
Sushi Kozy	2000 Ross
Brisket Rules	AT&T Discovery District
In Good Company	AT&T Discovery District
O'Desi aroma	AT&T Discovery District
Dough!	AT&T Discovery District
Hurtado Barbeque	Dallas Farmers Market



Downtown Dallas Neiman Marcus store will stay open through holidays, then be reimaged

City's persistent effort to remove barriers for luxury brand keeps historic downtown store open



"We deeply admire the city's passion and unwavering dedication to Neiman Marcus' storied legacy in Dallas. The potential reimagination of this iconic shopping destination reinforces Saks Global's commitment to redefining the luxury shopping experience," said Marc Metrick, Chief Executive Officer of Saks Global. "As we explore opportunities for the Downtown store, along with the planned renovation at the NorthPark store, we will evaluate the opportunity to utilize both locations to serve different customer needs in the Dallas market."



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DALLAS INC**

Eater Dallas Downtown Picks for Summer '25



**Fond
Starship Bagel
Mirador
Partenope
Musume**





Hospitality And Tourism

Tourism and Hospitality

Americans are traveling again but families are being cautious about spending. International trips are up as are cruises, and more travelers are looking into STRs and other alternatives, all to the detriment of US hoteliers. *

Downtown Dallas continued to welcome conferences and tournaments in the first half of 2025, packing in groups prior to the 2026 FIFA World Cup and the commencement of work on the KBHCC.

*STR, CoStar



Hyatt Regency

Tourism Market is Strong

Total Hotels



30

Occupancy



64.1%
-4.3% against 2024

RevPAR



\$156
-0.3% over 2024

Total Keys



9,326

ADR



\$243
+4.1% over 2024

Room Revenue



\$301.0M
-0.7% over 2024

Downtown Hotels play a critical role in our region's economy.

The density and variety of hotel rooms in and around the Downtown core have made Dallas a top destination for conferences, events, and large meetings.

Hospitality Market

- First half 2025 ADR is up 4.1% over same period 2024
- Occupancy is down -4.3% YOY
- RevPAR is flat at -0.3% YOY

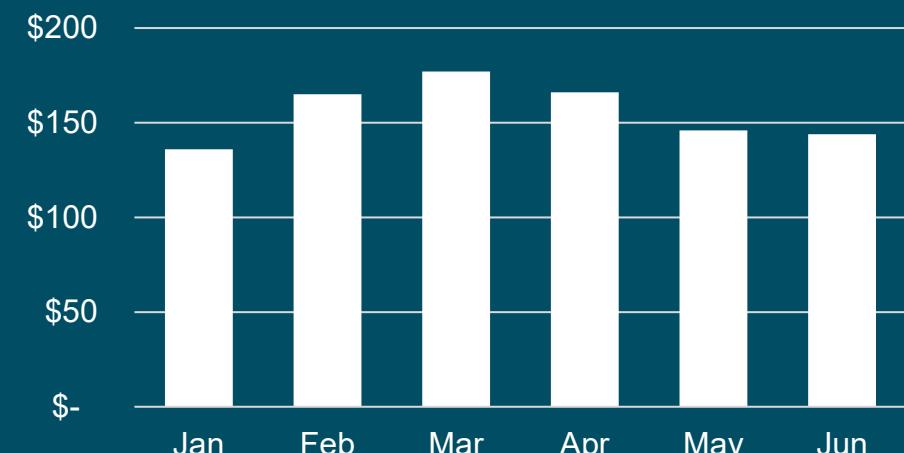
Occupancy



ADR



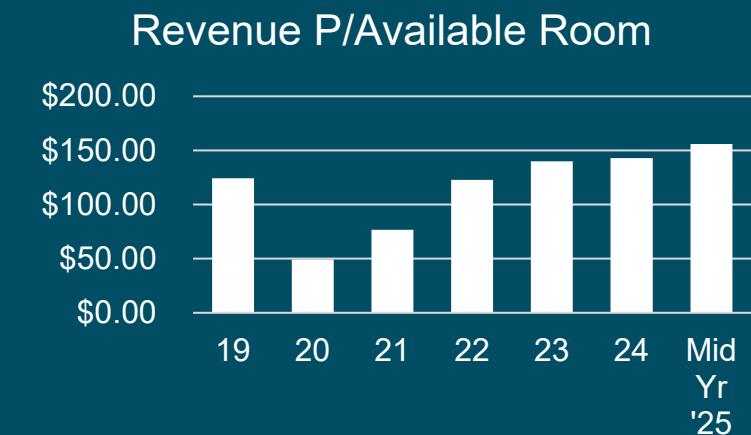
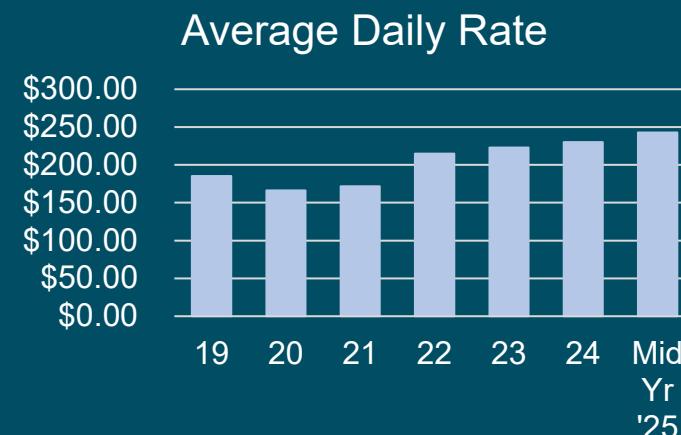
RevPAR



Courtesy of:
Visit Dallas
Symphony Tourism Economics
Charts represent only CBD hotels

Tourism Market is Strong

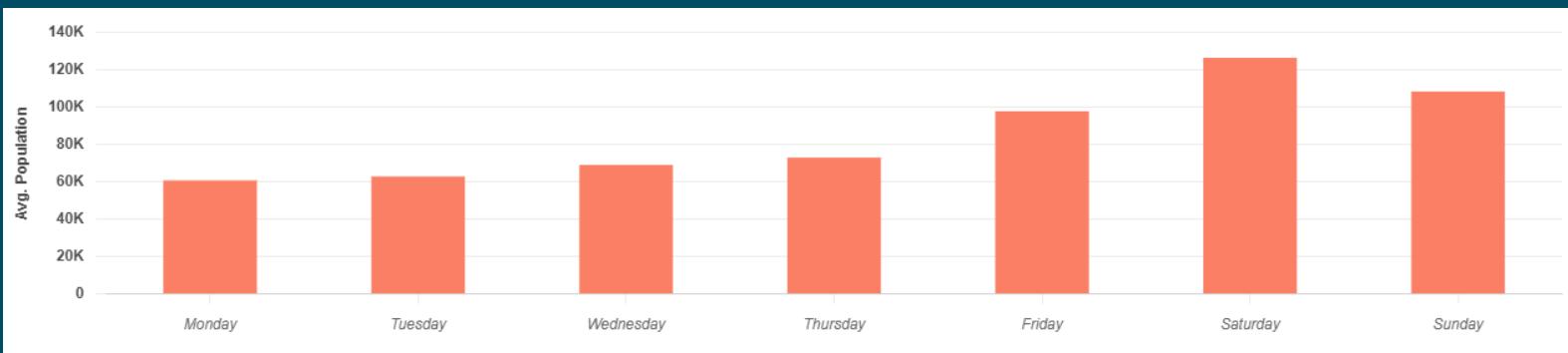
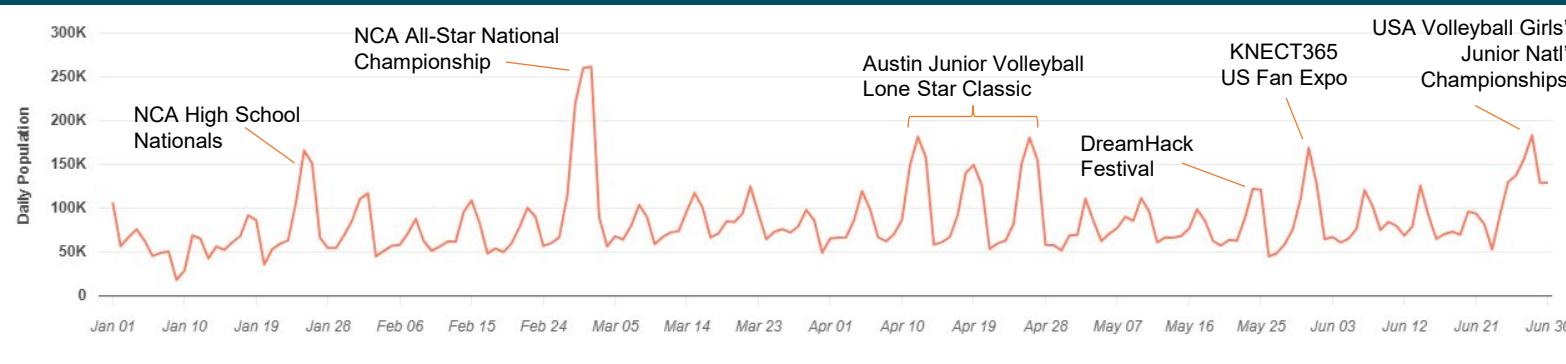
Downtown hotels continue to perform with convention center demolition looming.



Source: Visit Dallas
Symphony Tourism Economics
Charts represent only CBD hotels



Downtown Tourism



Downtown Dallas almost 3 million visitors in Q1 trailing 2023 by -7.1%.

Youth sports still brings the families with 2 cheerleader competitions and 2 volleyball tournament welcoming the lion share of visitors. The KNECT365 FanExpo and DreamHack gaming convention brought over 60,000 people to Downtown.

Year-over-year visitation is down slightly due to conventions that temporarily moved in preparation for the KBHCC construction.

Placer.ai demographic data shows that families still dominate at over 40% of visitors, with the young professionals segment increasing over last year.

Placer also shows that the top visitor destinations in Downtown include:

- KBHCC
- The Dallas World Aquarium
- Klyde Warren Park
- The Dallas Farmers Market
- Dallas Museum of Art



Notable Property Transactions

2024 Notable Property Transactions



April 2025
Fairmont Hotel
545 key hotel
Dallas Arts District
Buyer: Sith Street Properties



May 2025
One Main
652,560 sf office
36,641 sf retail
Main Street District
Buyer: Avalair Group



March 2025
1001 Ross Apartments
204 unit apartment building
30,000 sf retail
West End
Buyer: Meyer Properties



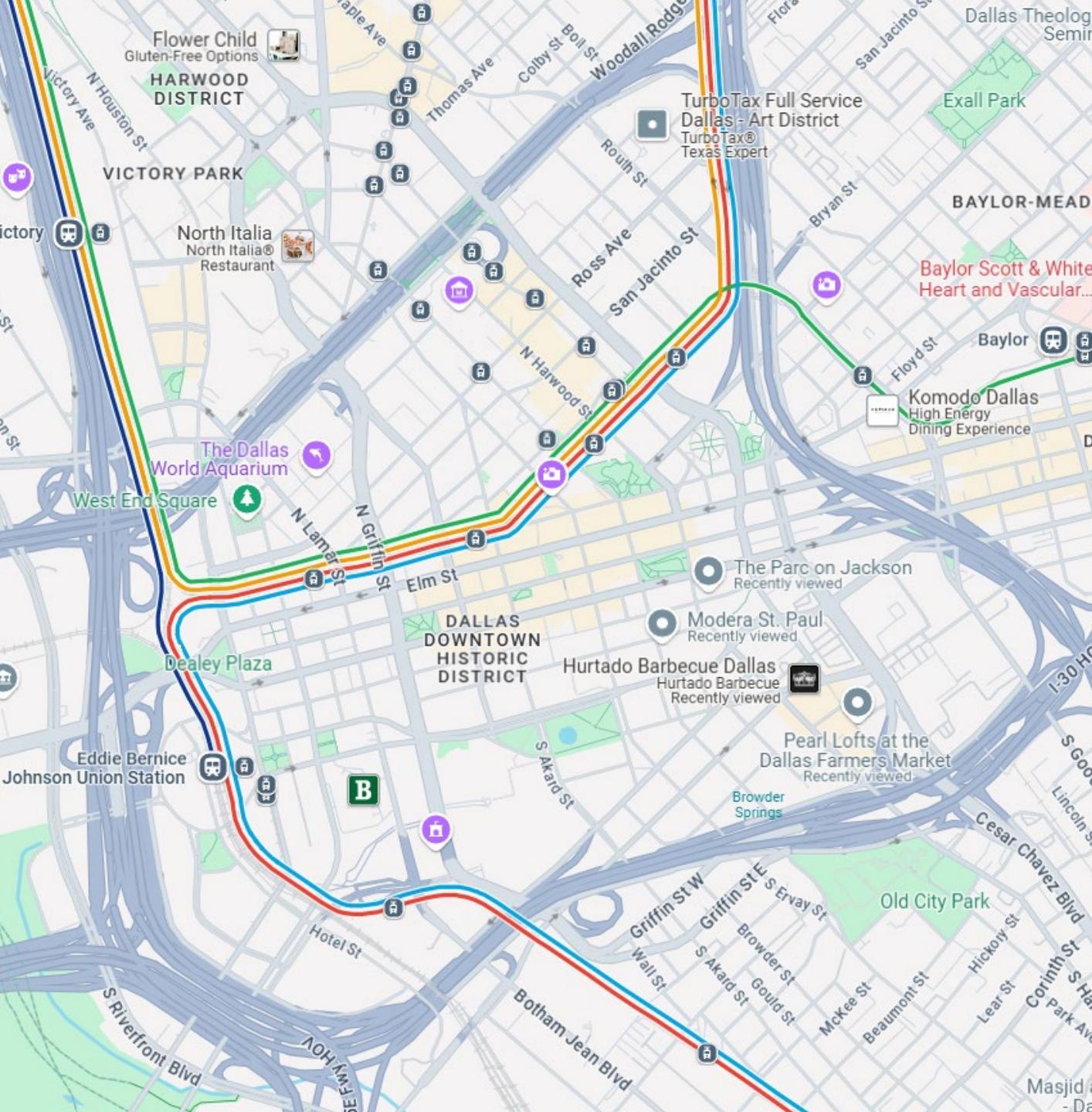
Transit & Transportation

DART

DART plays a major role in Downtown, with both the **East and West Transfer Centers**, along with the **Downtown Transit Mall** bringing all light rail lines and access through the heart of the neighborhood.

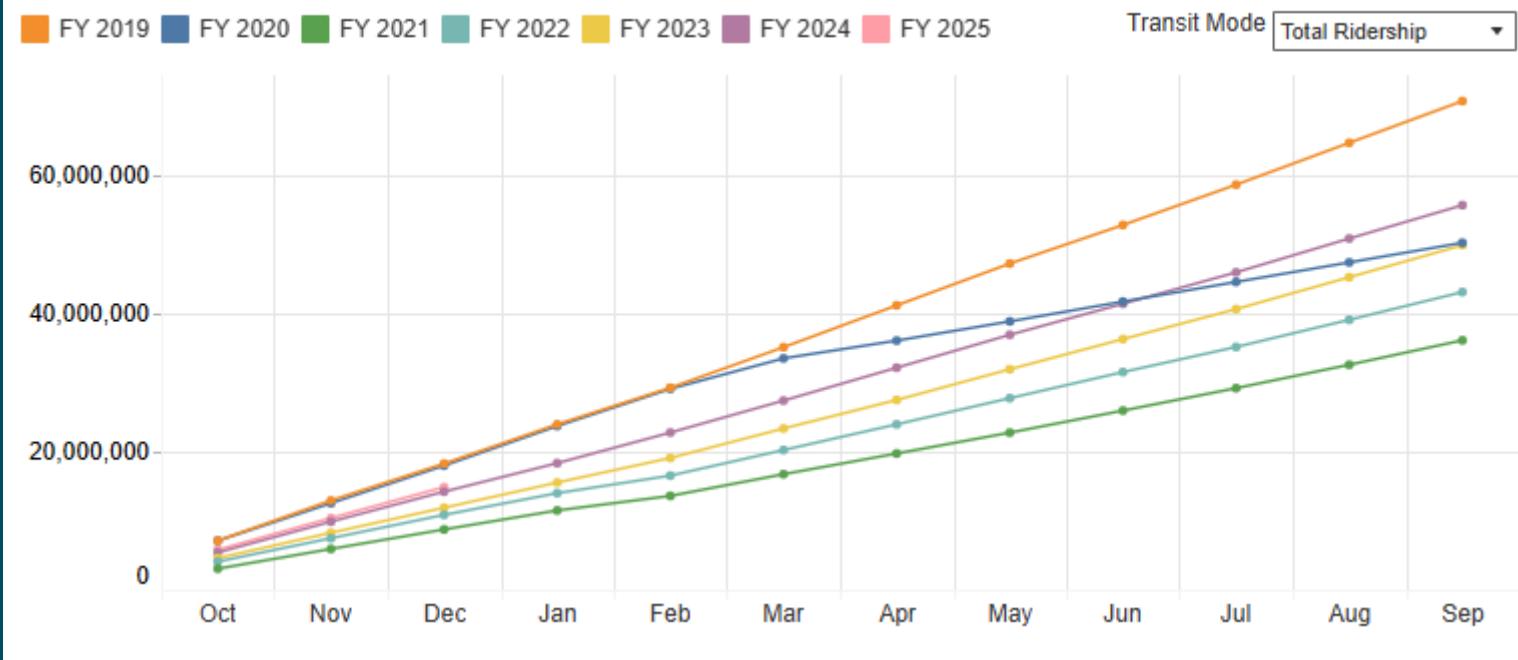
In Downtown DART also manages the **2.45 mile streetcar** from **Union Station to Bishop Arts**, and supports the **M-Line trolley** that connects **Downtown and Uptown**.

All lines meet in Downtown with 6 light rail stations, 9 trolley stops, and the EBJ Union Station where you can catch the Trinity Rail Express and the Amtrack making **Downtown one of the most transit rich environments in the region**.



DART Ridership

Ridership by Transit Mode of Service



DART ridership increased 10% over 2023 and continues to trend positive.

- System-wide **DART ridership peaked in 2019 with 70,756,585 riders** across all modes.
- In 2024; **55,684,829 riders utilized the transit system** region-wide.
- Average **weekday ridership is up to 200,000 passengers**, just 19% behind 2019.
- **Almost 9% of Downtown workers commute via DART.** (esri)



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Downtown Market Trajectory

Recent Deliveries



Pearl Street Lofts



1880 Canton



Modera St. Paul

Office to residential conversions

- 585 Units delivered
- 998,344 sf reduction in commercial office sf.

700 Jackson - Dallas County Garage

- 1,228 parking Spaces and 18,228 sf of retail space

Under Construction and Predevelopment



Projects Under Construction



The Parc on Jackson

Pipeline Projects



711 Pearl



West End Plaza



Bryan Tower



501 Elm

Under Construction and Pipeline Totals

Total residential units currently under construction

- 182 total units
- 1 property

Pipeline projects Totals

- Multifamily Units: 3,412
- Hotel Keys: 398
- Retail: 20,000

More developers have realized the potential in the Downtown submarket. Mill Creek Residential, Sycamore Strategies, 3L Living, and Empira Group have all started planning or constructing projects in the past 2 years in the CBD.



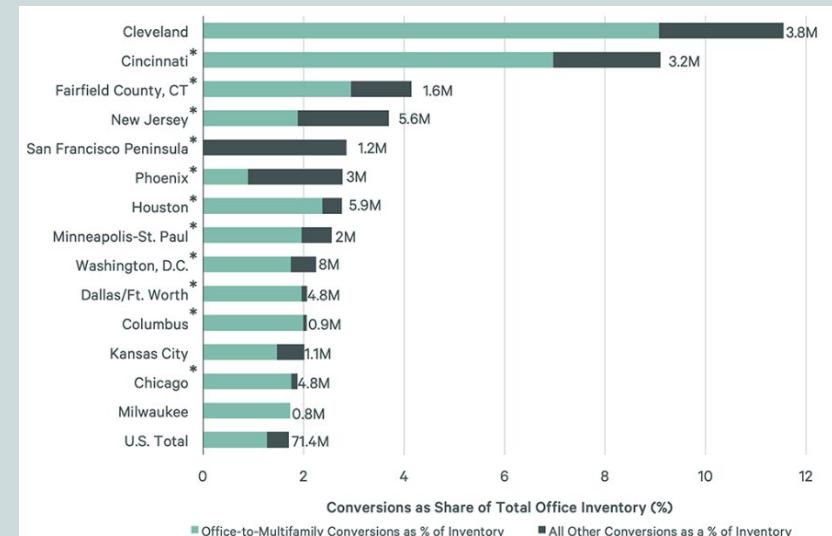
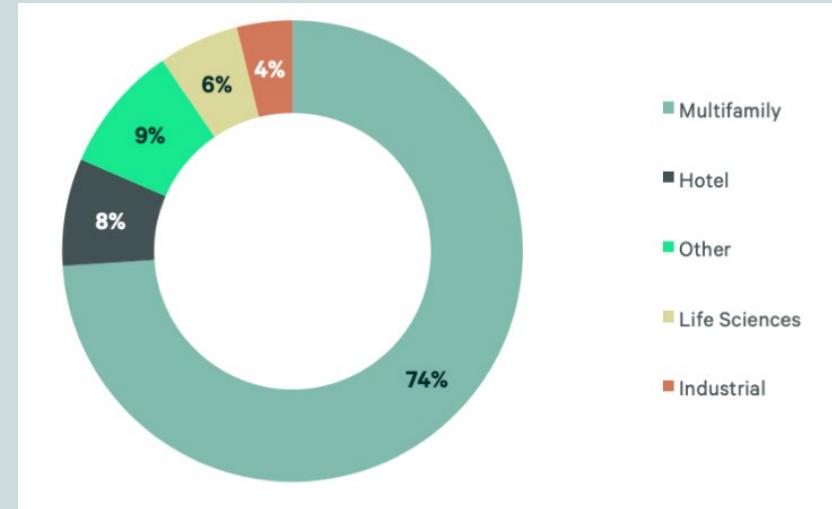
Office Conversions



Across the country, nearly 100 office conversion projects were delivered in 2024 and in 2025 there are 94 projects already underway with another 185 in some phase of planning.

Most cities are struggling with vacant office and a lack of housing, spurring cities to incentivize office to apartment conversions. Often time, other uses make sense and buildings or portions of them, are converted to Hotels, laboratories, schools, or other uses.

Dallas has long been a leader in office conversions and sits within the top 10 cities for overall modern office conversion projects.



Downtown Dallas Conversions

To date in Downtown, office space has been converted to almost **6,000 apartment units and nearly 4,000 hotel keys.**

Recent conversions include **Peridot and The Guild Hotel at Santander Tower**, **The Sinclair** at the former Energy Plaza, and **The National / Thompson Hotel**.

Currently, there are an additional 1,130 units planned within several other projects in early planning stages.



Todd Interests has reconfigured the former Energy Plaza into 293 luxury apartments and 450,000 sf of class AA office surrounded by best-in-class amenities.

Office Conversion Challenges

Challenges Include:

- Larger buildings
 - *Increased basis and conversion costs*
 - *Identifying a complementary mix of uses*
- Larger service cores
 - *Large central areas and elevator lobbies create cavities where revenue recovery is challenging*
- Financing costs
 - *High interest rate environment*
- Construction costs
 - *Construction materials prices, are falling, but remain, up to, 39.7% higher than pre-pandemic levels.*

Source: Bureau of Labor Statistics Producer Price Index

Current initiatives

DDI office conversion analysis

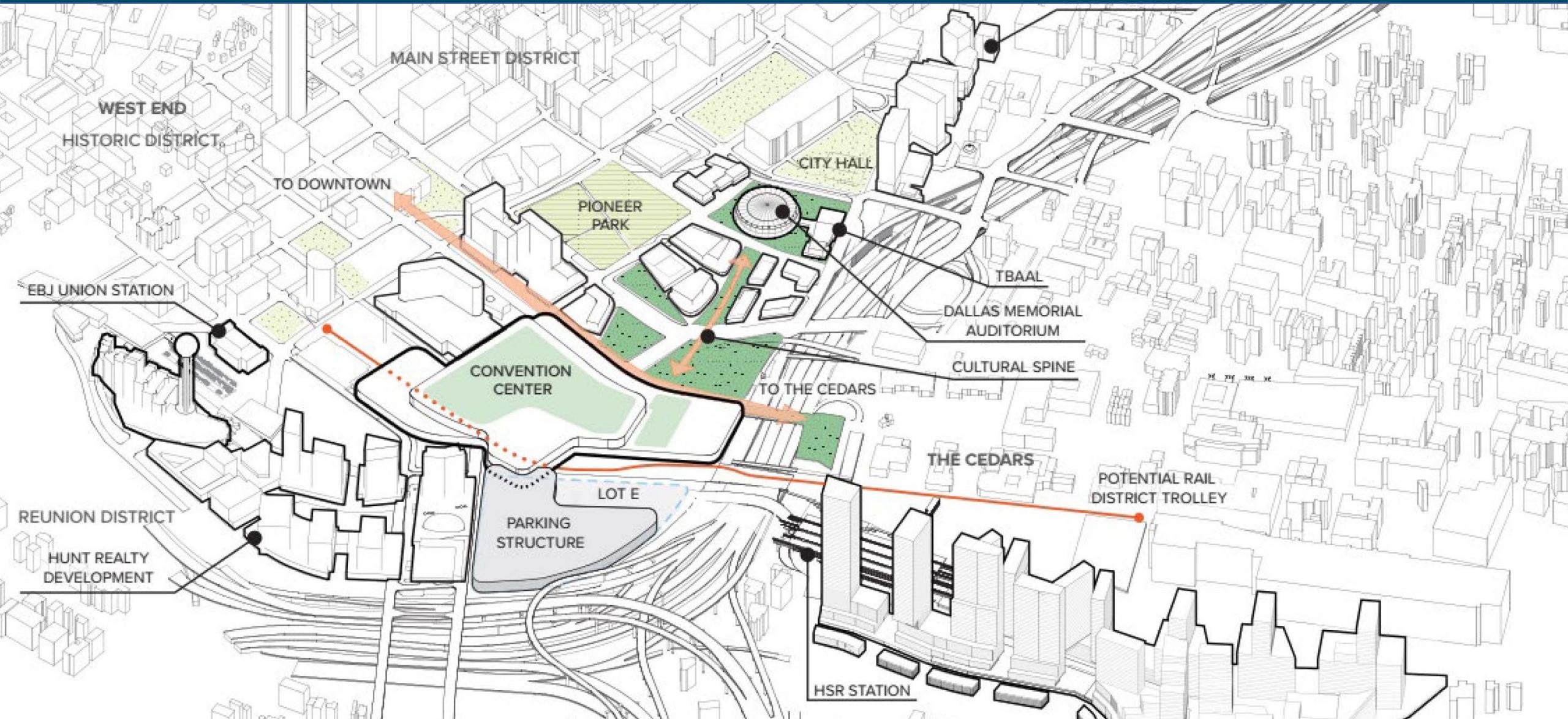
DDI has contracted AECOM to conduct an office building conversion analysis for targeted structures in the CBD, modeling representative projects, and highlighting capital strategies.

HTC District expansion

DDI is collaborating with Downtown stakeholders and Bennett Partners/Heritage Consulting to expand the geography of the current downtown historic district and allow inclusion of building stock up to and including those constructed in the late 1980s.



Kay Bailey Hutchison Convention Center



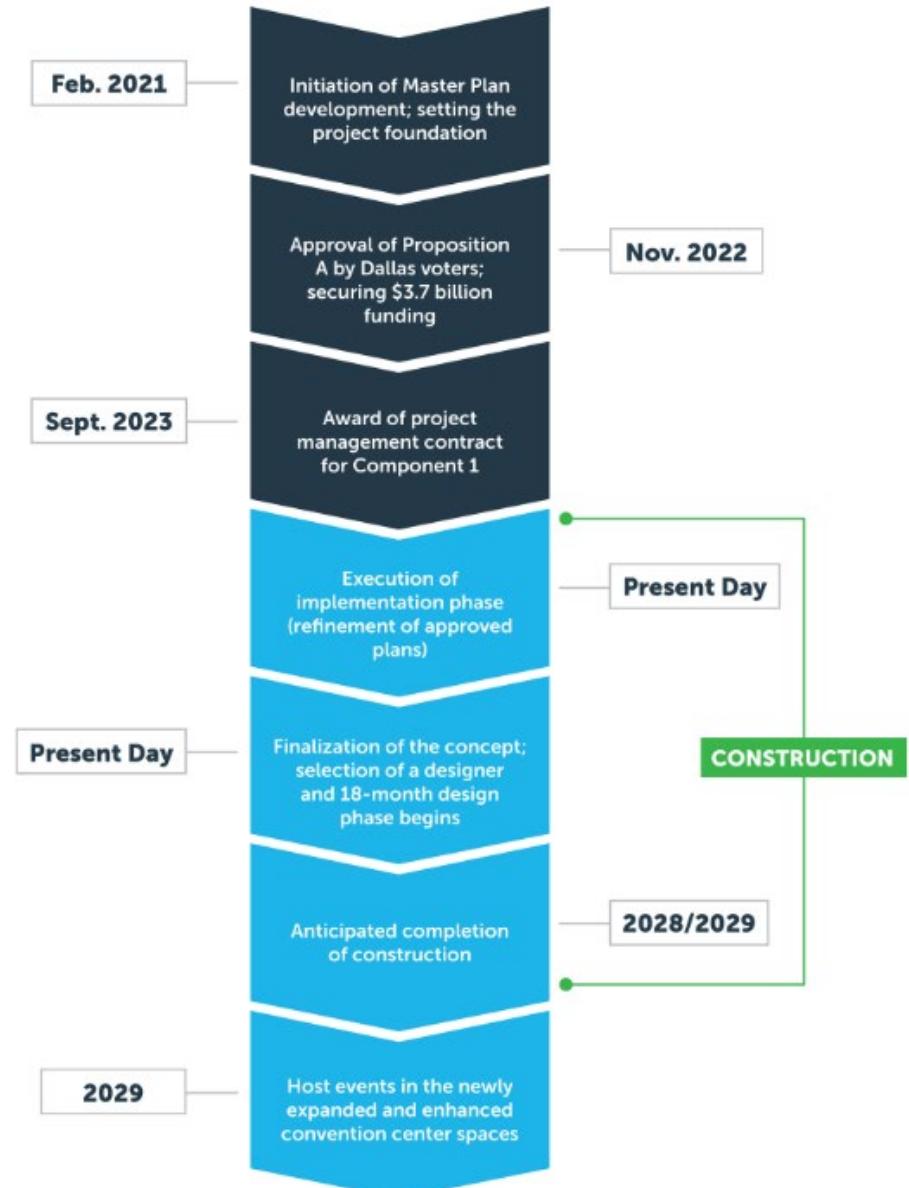
Kay Bailey Hutchison Convention Center



KBHCC Redevelopment Timeline

- **Project Components**
 - Convention Center Architecture and Engineering
 - Memorial Auditorium and The Black Academy of Arts and Letters Renovations
 - Surplus Property Transportation and Land Use Planning
 - Pioneer Plaza Renovation
- **Potential demand for an additional 3.5-4K hotel rooms.**
- **Planning to host the International Broadcast Center for FIFA 2026**
- **Approx 18-month design and pre-construction phase**
- **Anticipated project delivery in 2029**

Updated Proposed Timeline





THE BIGGEST GLOBAL EVENT IS COMING BACK

2026

JUNE 11 - JULY 19

9

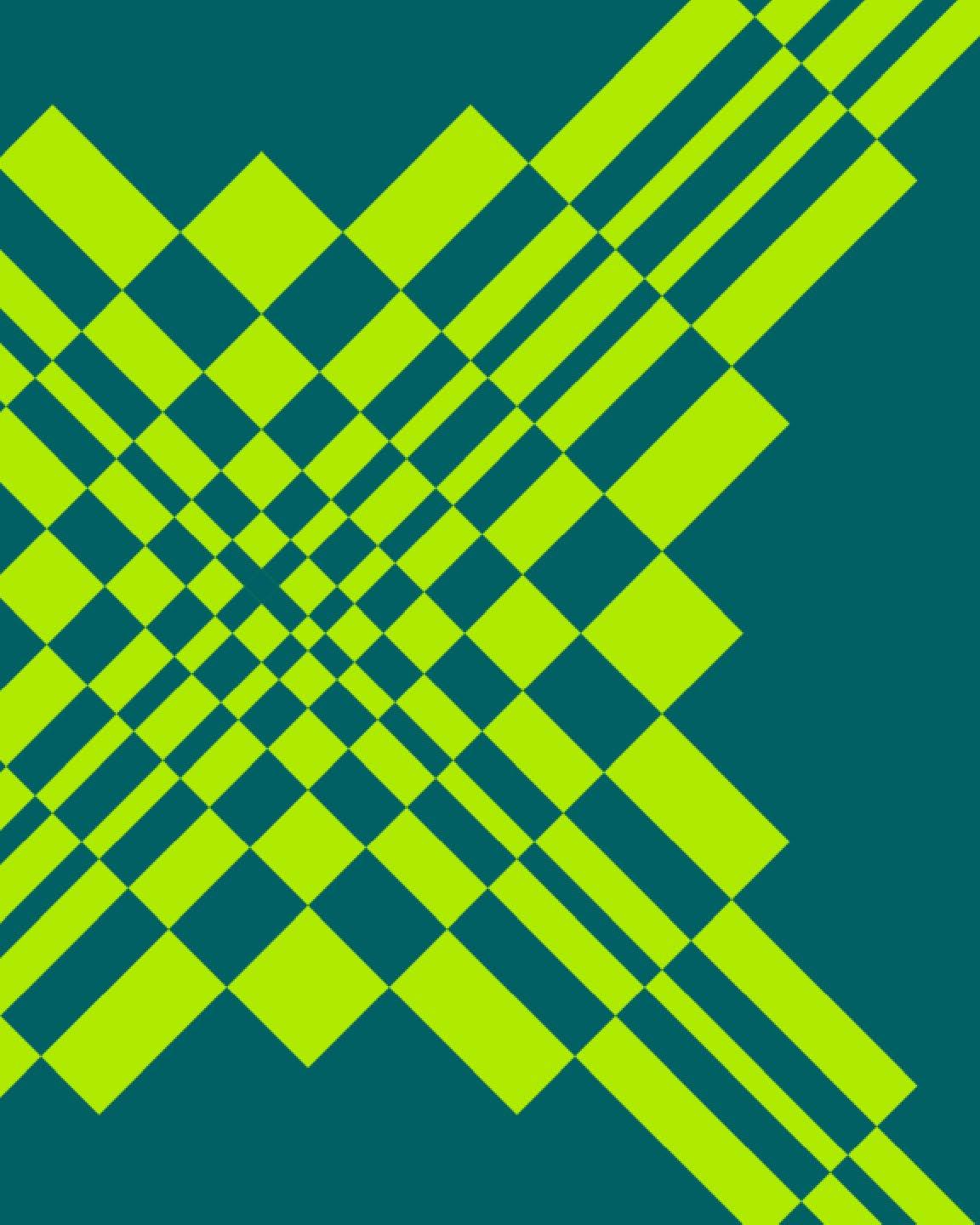
MATCHES
INCLUDING A
SEMIFINAL

100,000+

VISITORS
PER DAY

48

TEAMS
PARTICIPATING



NORTH TEXAS IS READY TO WELCOME THE WORLD

6B FANS

THE WORLDS SINGLE
BIGGEST EVENT & MOST
POPULAR SPORT

5,000

INTERNATIONAL MEDIA
REPRESENTATIVES
IN MARKET

3.8M

DFW VISITORS
(100K PER DAY)

\$1.5-2.1B

EXPECTED ECONOMIC
IMPACT IN DFW



MATCH SCHEDULE & KEY VENUES



MATCH SCHEDULE

6/14/26	GROUP STAGE	6/30/26	ROUND OF 32
6/17/26	GROUP STAGE	7/03/26	ROUND OF 32
6/22/26	GROUP STAGE	7/06/26	ROUND OF 16
6/25/26	GROUP STAGE	7/14/26	SEMIFINAL
6/27/26	GROUP STAGE		

MATCH VENUE: DALLAS STADIUM (ARLINGTON)

POTENTIAL TEAM BASE CAMPS (6):

DALLAS BAPTIST UNIVERSITY (DALLAS)
MANSFIELD STADIUM (MANSFIELD)
TCU (FORT WORTH)
TOYOTA STADIUM & SOCCER COMPLEX (FRISCO)
UNIVERSITY OF DALLAS (IRVING)
UNIVERSITY OF NORTH TEXAS (DENTON)

VENUE SPECIFIC TRAINING SITE VENUES

COTTON BOWL (DALLAS)
SMU (DALLAS)

FIFA FAN FESTIVAL: FAIR PARK (DALLAS)

FAN ACTIVATIONS: TBD

INTERNATIONAL BROADCAST CENTER: KBHCCD



FIFA FAN FESTIVAL™ DALLAS

39 Days of Activation

35K+ Attendees per day
(avg)

1 MIL+ Square feet

104 Matches broadcast
live

5 “Rest day” concerts

13 Commercial Partner
on-site activations

- Host City Supporter on-site activations
- Live programming including concerts, cultural demonstrations, chalk talks, and more
- Food and Beverage program featuring local restaurants
- Playground area featuring a mini pitch, clinics and skills contests
- Premium tickets and access



REGIONAL WORKING GROUPS

TRANSPORTATION

NCTCOG

ACCOMMODATIONS

Ginger Lively Cade

SUSTAINABILITY

Meghna Tare

VOLUNTEERS

Allie Dunlap

PUBLIC RELATIONS & COMMUNICATIONS

Joe Trahan - TFPR

TRAINING VENUES

J.D. Wood

HOST CITY SUPPORTERS

Gillian Breidenbach

FIFA FAN FESTIVAL™

Cindy Solomon

INTERNATIONAL BROADCAST CENTER

Rocky Vaz

SAFETY & SECURITY

Richard Burkhead

GOVERNMENTAL RELATIONS

Monica Paul

HUMAN RIGHTS

Minal Davis

GRASSROOTS SOCCER

Steve Davis

CITY SERVICES

Rocky Vaz

ANCILLARY EVENTS

Cindy Solomon

DONOR PROGRAM

Jaime Cabrera

LEGACY

Steve Davis

MARKETING

Noelle LeVeaux

Downtown Dallas X FIFA World Cup

Ongoing Efforts



Our Work Group Involvement

- Public Safety
- Human Rights
- Sustainability
- Marketing
- PR/Communications
- Volunteer Recruitment

We are leading these local efforts:

- Visit Dallas x DDI Neighborhood Task Force
- Downtown Infrastructure Improvement Inventory for City of Dallas – submitted in April 2025
- Stakeholder Workshop/Charrette with Kirksey – April 2025
- Monthly Meetings with key City of Dallas and FIFA staff
- Monthly Calls with US Host Cities



FIFA DALLAS 2026



Public Improvements (City of Dallas)

Funded and managed by the city

- Focus on streets, sidewalks, lighting, and public infrastructure
- DDI has provided inventory of improvement needs
- Will continue to advocate and provide updates to City of Dallas around priorities

Private Property Improvements (Suggested)

Funded by private property owners or business owners. Potential support from DDI grants.

- Updating landscaping/planters
- Patio and façade improvements
- Window/exterior/awning improvements
- Tree lights/café lights
- Power washing/clean windows
- FIFA themed activations/extended hours

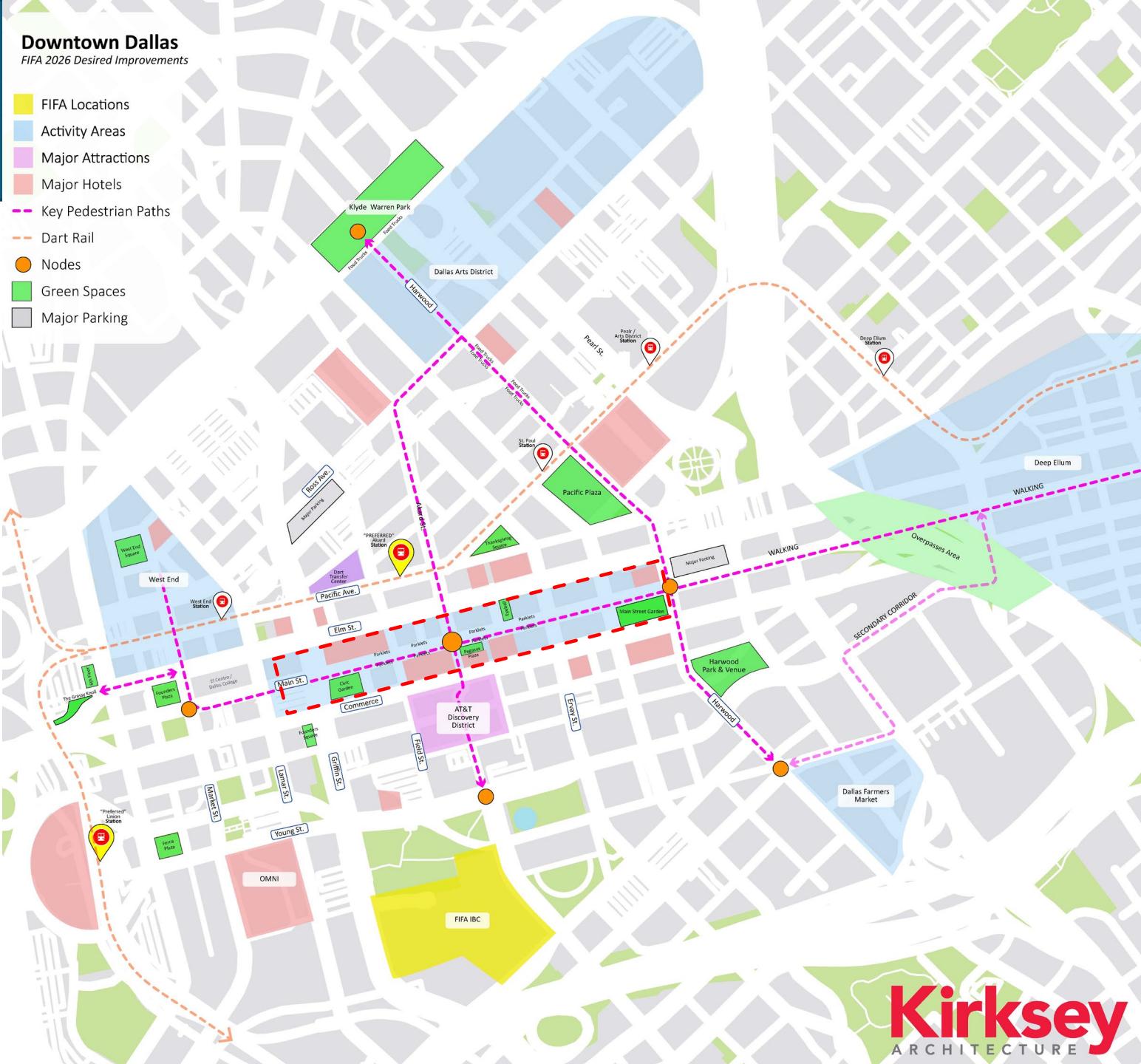
DDI Led Improvements

Initiated, funded, and coordinated by Downtown Dallas, Inc.
~\$.01 assessment through PID~

- Interactive Art Installations
- Heat Mitigation Installations & Cooling Zones
- Public Greenspace Improvements & Sidewalk Planters
- Facades, Parklets and Patios
- Lighting, Intersections and Crosswalks
- Temporary Wayfinding
- Events/Experiences
- Additional staffing and power washing

Downtown FIFA Improvements

- Nine art projects/murals
 - Interactive art installations, pop-up photo opportunities, and colorful decor being secured
 - Intersection lighting at key intersections along Main Street
 - Lighting improvements at key parks
 - Pocket park designs
 - Plus, more....





VOLUNTEER PROGRAM OVERVIEW

- **Volunteers are the heartbeat of FIFA events.**
- **Enhance the event experience of all visitors, fans, and residents throughout North Texas, and help make this a safe and seamless event for our region.**
- **Approx. 6,000+ volunteers will be needed.**
- **Volunteer roles will be available across the North Texas region, including Host City hotels, transportation hubs, airports, events and competition venues.**
- **Knowledge of soccer is not required!**





VOLUNTEER REQUIREMENTS & PERKS

- **18+**
- **English speaking**
(additional languages a bonus)
- **9 shifts & be available for the duration of the tournament, incl. pre-event training sessions.**
- **Must comply with the entry requirements of the host country.**
- **Attend in-person group recruitment event & complete applicable training.**
- **Pass a name check and background information review.**



Official FIFA World Cup Volunteer Uniform



Exclusive Reward and Recognition Items



Food & Beverages During Shift



Volunteer Certificate



Lasting Friendships & Once-in-a-Generation Experience



Skills-Based Learning Opportunities



@FWC26DALLAS



NORTH TEXAS GIVING DAY DOWNTOWN DALLAS DAY OF GIVING

SEPT 15 | AT&T DISCOVERY DISTRICT | 11AM – 2PM

PRESENTED BY





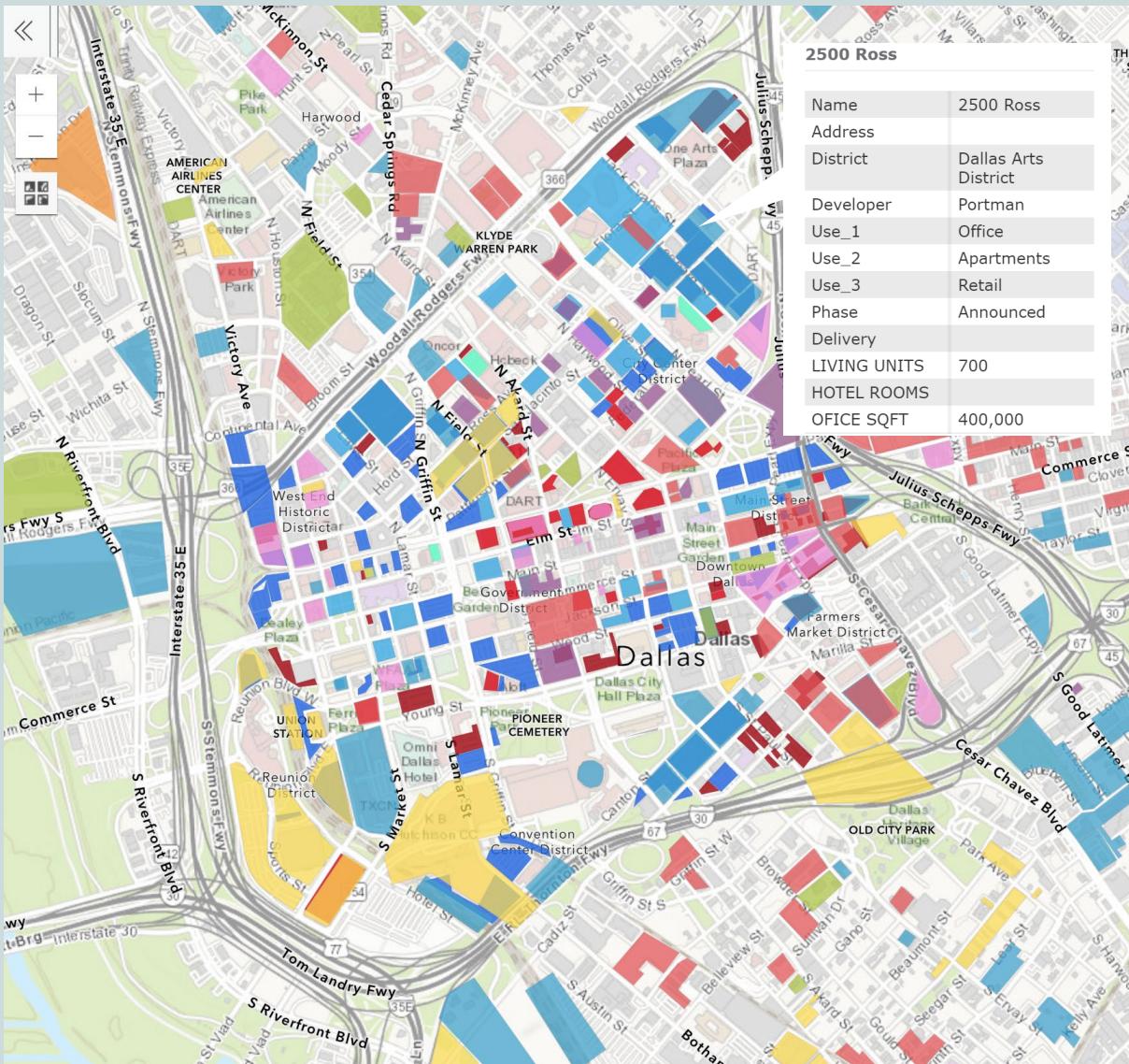
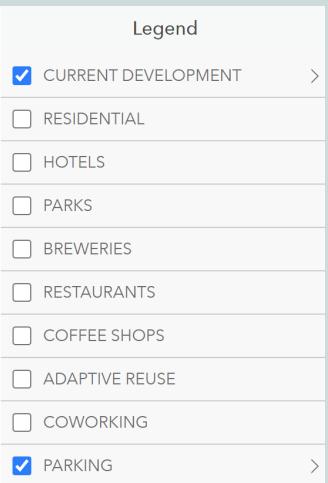
Existing DDI Resources

City Center Development Tracking



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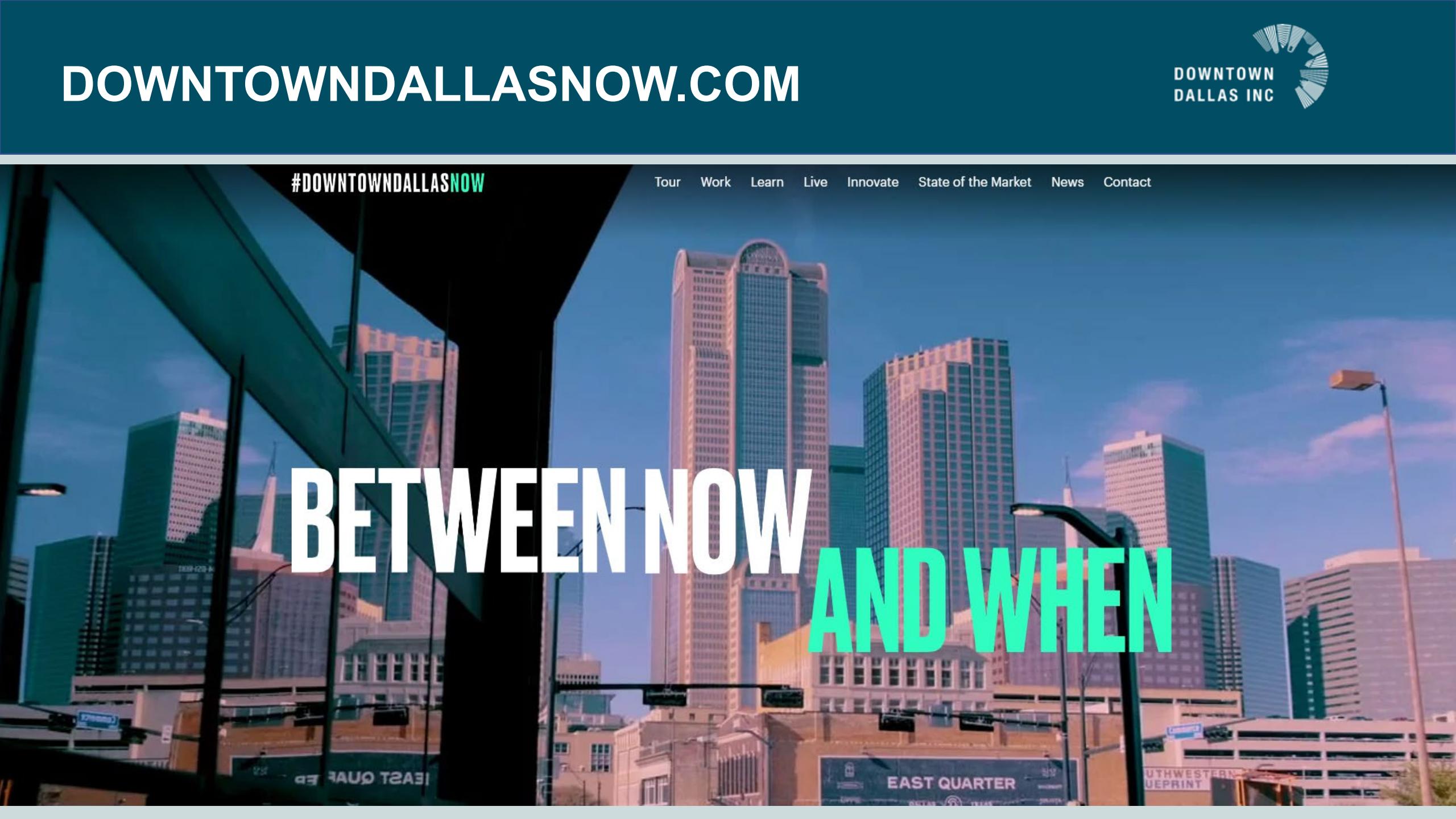
- Interactive online development map
- Development tracking from a variety of public and private sources
- Detail on planned, announced, or recently delivered
 - Unit counts and square footages
- Additional information layers such as available parking and hotel and residential information





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Virtual Tour Platform

available on downtowndallasnow.com



DDI Economic Development Advisory Services

Public process assistance

- City planning and policy strategy
- Public Incentives advisory
- Permitting and regulatory assistance
- Project support and governmental advocacy
- City approvals support

Private process project assistance

- Custom market data and reports
- Telling the Downtown story
- Regulatory research
- Market patterns and demographics
- Leasing and tenant support
- Ground floor tenanting





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