

Heatley-Moist's

D/FW Land Advisory

We're Changing The Way Land Investments Are Made

(214) 717-7070

4225 Wingren, Suite 200

Irving, TX 75062

Fax (214) 717-5415

Seminar Reveals Hottest Prospects For '96

The formula for making money in land is no more complicated now than it was back when Will Rogers proclaimed "...find out where all the people are going, then buy the land before they get there." This issue shows where the Metroplex is headed and, more importantly, which of your properties may see a buyer in '96.

Las Colinas, Texas
Monday, 4:47 pm
December 11, 1995

Dear Venturer and Subscriber:

You're either going to love this letter... or hate it.

Either way, at least you'll know what (and what not) to expect from each of your properties for the coming year.

Before separating the ripe from the green, here is something you should know about the seminar we attended in November. This is a one-day annual workshop produced by M/PF Research, Inc., whose business, as you might expect, is analyzing real estate markets all over the U.S. of A.

This particular seminar, however, is a comprehensive one-year outlook for... just D/FW. This was our fourth, and already we're hooked. Many attendees are investors whose decisions depend on knowing, for example, where the "hot zones" are for rooftops and jobs. Like us.

Before getting to specifics, here's a little snippet from this seminar that slapped me in the face: Everybody knows by now Texas is outstripping the nation in job creation. This year alone Texas gained 75,000 jobs, and the '96 forecast is 60,000 more jobs. What everybody doesn't know is why.

Semiconductors.

By the year 2003, it's predicted semiconductors will be as big an industry as oil and gas. And Texas just happens to be the largest producer in the whole country. Get this: If Texas were a nation, it would be...

**Number Five
In The World!**

So, what does this have to do with land investments in D/FW?

A lot, actually.

Not because we're lucky enough to already have one of these semiconductor job centers right here in Richardson. Everyone knows the Telecom Corridor is a regional hot spot now.

It's because we have two.

There's a newer (and potentially bigger) job center mushrooming in North Tarrant County. This is an area whose bookends are Alliance Airport and D/FW Airport. An area some already are (understandably) calling Perotville.

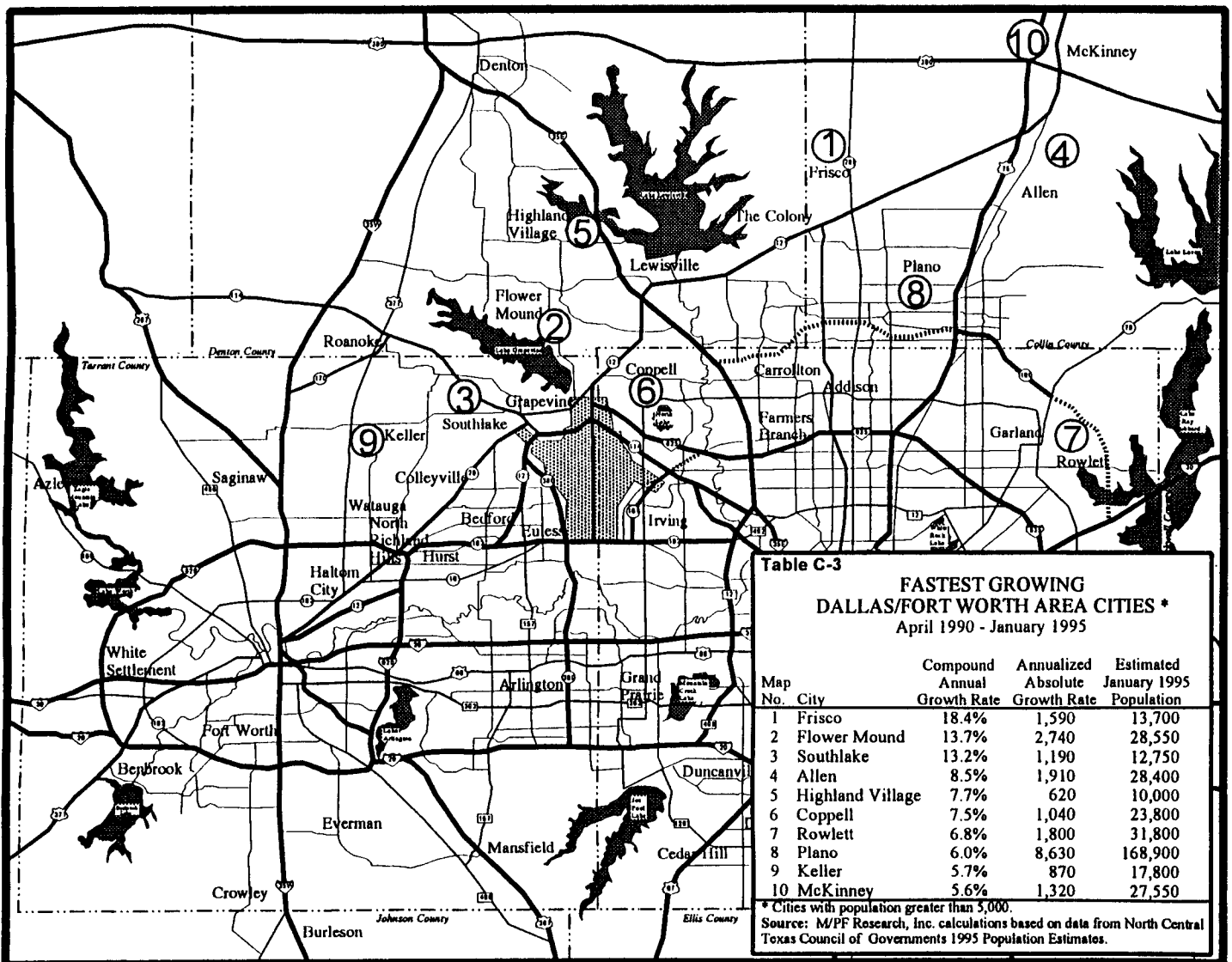
It includes Alliance Business Center and Fossil Creek, another business park that began with Motorola, and most recently became national headquarters for the \$8-billion-a-year Burlington Northern Railroad.

Why such a big deal about job hubs? Because growth centers like these impact directly one out of every three properties in our inventory.

Enough already. On to finding the money-makers for '96.

Here's a chart (courtesy M/PF Research, Inc.) from this year's seminar we will be using as a roadmap for brokers to find new properties. The cities circled here are where the jobs, rooftops and schools are...

... and the greatest opportunities for making money in real estate.



One last point before moving on: To truly fathom the profound effect education is having on migration to cities like these, read "The Bell Curve". This is an exhaustive scientific study of the intellectual disparities among groups of people and what it means for America's future.

Sensitive and controversial yes, but decision makers in real estate today cannot ignore the message of this study: The more highly educated segments of America are dictating where the opportunities will be.

Now, on to which of your properties should expect a payday in '96.

Have you ever heard of the dot system?

Probably you have, especially if you've ever been in sales. Years ago I used it to rank sales prospects. The Heatley-Moist Turnaround Indicator is the same system applied to ranking properties. My clients can't look in the Wall Street Journal to see how their properties are doing, so I figured this little analysis might be the next best thing:

Property Turnaround Indicator												
Joint Venture	Contracts Rec'd	Offers Rec'd	Above Avg Prop Calls	In North Arc	Near Major Job Cntr	Zone Flex	No Debt	Below Mkt Price	Total	Projected Sale		
										'96	'97-'99	'00+
Coppell/Freeport Pkwy.				4		X	
Dallas/Cockrell Hill Rd.							.		1			X
Duncanville/Penn Springs							.		1			X
Flower Mound/Town Center					6	X		
Fossil Creek/Loop 820				5		X	
Grand Prairie/S.E. 8th St.						.	.	.	3		X	
Grapevine/Hughes Rd.	7	X		
I-20/Bonnie View		.				.	.		3		X	
Illinois Avenue/Mt. View							.		1			X
Lewisville/I-35E		..		.					3		X	
Lewisville/Oakbend Dr.					11	X		
Lewisville/S.H. 121			10	X		
Lewisville/Valley Ridge				7	X		
Plano/F.M. 544		5		X	
Plano/Spring Creek Pkwy.				5		X	
Rest. Row/LBJ Frwy.			6	X		
Richardson/Breckinridge		5		X	
Richardson/Telecom			7	X		
Richardson/Telecom II				.	.	.			3		X	
Richardson/Telecom III	6	X		
Richardson/Telecom IV				.	.	.			3		X	
Rufe Snow Dr.				4		X	
U.S. 67/Joe Wilson Rd. II		.							1			X
Wylie/Century Bus. Pk. I						.	.		2			X
Wylie Century Bus. Pk. III						.	.		2			X
Wylie/F.M. 544		..							2			X

OK. This issue's about done, except for a little side trip. It isn't often, but every now and then I'll get a call from a venturer frustrated with this boom market. This is because everything on his street seems to be selling...

... except the property his dollars are in, of course.

So get this and get it good: The one thing some investors can't quite seem to come to grips with about the land business is, you can make a lot of money, and... sometimes... very fast. But the land business is not a flip business. Investing in land is a long term investment.

Period.

Now, something you won't glean from looking at all the dots on this chart is that 58% of these properties have yet to reach their third anniversary.

Which means for the most part, our inventory is in its infancy. It lacks the maturity needed for acceptable return on investment. Mostly because 68% of these properties were bought in the last 36 months as upgrades during our reorganization campaign.

But most important is this: Even though we're not selling our properties as fast as we'd like to, we are in the right places. And at the right prices. The frequency of offers, contracts and property calls is evidence: there's hardly a property in inventory we haven't had some interest in.

That's because we are no longer stuck along highways of decay like U.S. 67 in Cedar Hill, where even now there's still enough land available to apply for statehood. Where everything is for sale.

Now we're positioned in high growth areas where almost nothing is for sale. Where property prices are relentlessly being pushed higher by the lack of land.

So, my friends, patience.

In the meantime, get back to your seat, sit down, inhale deeply and enjoy the boom. Your turn will get here.

Sincerely (and Merry Christmas),



Mike Heatley

P.S. This is not for you... unless... you have \$15,000 to invest, can make a quick decision, and would like a chance at what most likely will be our only opportunity ever in Southlake (the third fastest growing city in D/FW).

If this is for you, hear this: We've never been gung-ho on offerings late in the year, especially up against Christmas vacations. Most especially this year, since we used up nearly a half million dollars cash on one that closed just last week. But when Home Depot contracted for the land across the street, we had to have this.

We're planning on ten partners at \$15,000 each, unless we find one to take it all (the one we closed last week had only three). If you want to be among the first to get a package, there isn't a minute to waste. Call and leave your name at...

Metro (214) 913-0485

Ask for the Southlake Package.