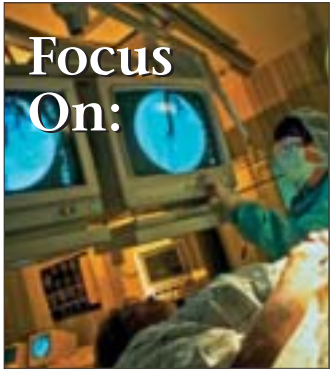




Volume 6
Issue 1



COMMON GROUND



Focus On:

Healthcare

With expenditures topping \$2.17 trillion in 2006, one of the nation's most robust growth markets continues to be the healthcare industry. In 2006, healthcare expenditures represented the largest segment of the U.S. Gross Domestic Product surpassing automotive, clothing, energy, recreation, national defense, food and housing purchases.

Several factors are contributing to the growth in the healthcare field. The U.S. population reached the 300 million mark in October 2006 requiring more personnel and medical facilities to sustain the added demand. The composition of the nation's age groups includes increasing numbers of seniors who will likely require additional medical, diagnostic, therapy, and specialized housing requirements in the years ahead. The expansion of healthcare facilities, including acute

Common Goals – Looking Ahead to the New Year

There were several milestones that were achieved in 2006 for Cadence McShane:

- 1) We celebrated our 20-year anniversary.
- 2) We were awarded the largest single contract in company history (Block B at Park Lane) from PM Realty Group.
- 3) We had the largest year of newly awarded projects in company history.
- 4) We had the most diverse year of awarded projects by product type.



Neal L. Harper, President
Cadence McShane Corporation

This all comes concurrently with a great 2006 year-end, the second largest year ever for Cadence McShane. Now

we ask ourselves, what does the market have in store in 2007 and beyond?

Cadence McShane has always worked hard to maintain its market diversification. In recent years, we have taken additional steps to increase this diversity.

While we continue to expand our presence in the industrial, office, education and hospitality markets, we are now furthering our growth plan by developing strategies and positioning experienced personnel to specifically address the

increasing demand in the medical, multi-family and retail arenas.

We are hopeful that our overall market position will continue to increase in the upcoming years through market diversification and our ongoing commitment to providing quality service. New personnel have added depth to our capability, capacity and our ability to diversify. Fiscal year 2007 is anticipated to be our largest year to date as a company that will showcase an even more diversified portfolio than in years past.

There is strength in diversity and we will continue to expand on that as we move forward into the coming years. □

care hospitals, is also reflected in the nation's continuing population shift to the South and West now home to over 60% of U.S. residents. These desirable regions of the country will continue to enjoy an accelerated rate of activity in the medical field to accommodate the growing population.

Another area that has achieved notable expansion is the outpatient surgery center. In 2006, over 17,446,000 outpatient surgeries were performed outpacing the 10,097,000

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PM Realty Group Selects Cadence McShane to Construct Block B at Park Lane

Congratulations to the Dallas office of Cadence McShane! The firm has been selected by developer, PM Realty Group, to construct apartments, retail space and integrated parking within Block B at Park Lane – a new three million square foot, mixed-use development including retail, dining, grocery, residential, entertainment and luxury hotel venues. Park Lane, a development of Harvest Partners, is located at Park Lane and the North Central Expressway just minutes from downtown Dallas, Texas. Cadence McShane's assignment includes a 590,000 square foot residential component including 325 apartment units in a 20-story high rise tower, 15-story mid-rise tower and four-story loft building; and over 45,000 square feet of retail space on the first floor of a four-level, 505-space parking structure. Upscale amenities for the property, including two swimming pools, will be located on top of the parking garage. Cadence McShane Corporation and project architect, Gromatzky Dupree & Associates, will complete Block B of the Park Lane development in late 2008. □



Project Profile

Cadence McShane Awarded McAllen District Office for Harwood & Associates

Following the successful completion of a bulk storage warehouse in Laredo, Texas for Harwood & Associates, Cadence McShane was awarded a second assignment by this Virginia-based developer to provide design/build services for the new McAllen District Office. The project will be located at 1201 E. Laurel Avenue within the 495 Commerce Center in McAllen, Texas. The 80,000 square foot project consists of a four-story, 54,300 square foot office tower, a two-level underground garage for 146 vehicles and 14,270 square feet of warehouse. The office tower will be constructed with a steel frame featuring an attractive stucco exterior. Extensive window lines and a two-story glass lobby area provide generous lighting into the interior that will include private offices, open workspace areas, conference facilities and employee amenities. The adjacent warehouse will be constructed of concrete tiltwall panels and features numerous truck docks and drive-in doors. Cadence McShane and project architect, Alliance Architects, Inc., will complete the exterior landscaping for the 4.5-acre campus that includes ample surface parking and natural plantings with a meandering water feature and fountain as a focal point for the building



Virginia-based Harwood & Associates has awarded Cadence McShane Corporation a second construction assignment to provide design/build services for the new four-story, 80,000 square foot McAllen District Office in McAllen, Texas.

entrance. The project's completion date is scheduled for January 2008. □

New Kelly Pre-K Center Completed in Carrollton, TX

Due to outstanding weather conditions and a seamless construction schedule, Cadence McShane delivered the Kelly Pre-Kindergarten Center to the Carrollton-Farmers Branch Independent

School District in December 2006 – a month ahead of the originally planned completion date. Cadence McShane and architect, Corgan Associates, Inc., completed the new Center located at 2325 Heads Lane in Carrollton, Texas. The new 47,500 square foot Pre-K school was constructed with a steel frame structure and an attractively designed masonry exterior. The Center includes a welcoming area, 26 new classrooms, four special education areas, a cafeteria, a nurse's clinic and administrative



On behalf of the Carrollton-Farmers Branch Independent School District, Cadence McShane recently completed the new 47,500 square foot Kelly Pre-Kindergarten Center in Carrollton, Texas four weeks in advance of the agreed upon delivery date.

offices. The interior includes an appealing design utilizing primary colors with decorative "floating clouds" arranged in the ceiling in the cafeteria and indoor play area. Two separate entrances for parents provide efficient traffic flow for student drop-off and pick-up. An indoor play area and outdoor playground were also constructed. This Center represents the third Pre-K facility within the District providing educational opportunities for pre-kindergarten children and augments existing facilities at the Community Learning Center in Carrollton, Texas and the McLaughlin Annex in Farmers Branch, Texas. □

Cadence McShane Awarded Three-Building Project for TIG Real Estate

In an effort to provide growth opportunities for its existing eastern Dallas tenants, TIG Real Estate Services, Inc. selected Cadence McShane to construct three new speculative industrial facilities totaling 218,000 square feet within Eastpoint in eastern Dallas, Texas. The new single-story buildings will augment TIG Real Estate's four existing industrial facilities within Eastpoint, providing the firm with over 1,000,000 square feet of industrial space within the park. Building A is a 69,000 square foot industrial facility featuring 21 truck docks and over 12,000 square feet of office space. The 47,500 square foot Building B offers 40,500 square feet of warehouse space with 14 truck docks and includes a

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7,000 square foot office component. Building C totals 89,000 square feet featuring over 71,000 square feet of industrial space with 20 truck docks supported by 18,000 square feet of office space. Cadence McShane and project architect, O'Brien & Associates, are nearing project completion with tenant occupancy available in early 2007. □



Two 1,000-car, 340,000 square foot parking garages were recently completed by the joint venture between Diggs Construction, LLC and Cadence McShane on the campus of Texas Southern University in Houston, Texas.

Cadence McShane and Diggs Construction Expand Parking at TSU

Faculty and students alike can now take advantage of expanded parking options on the campus of Texas Southern University in Houston, Texas. The Houston office of Cadence McShane Corporation and joint venture partner, Wichita, Kansas-based Diggs Construction, LLC, recently completed new four-story and five-story parking garages on behalf of the University. Each garage totals 340,000 square feet and accommodates up to 1,000 cars. The garages were constructed on existing surface parking lots at the campus requiring careful coordination to minimize

impact while classes were in session. Each garage features structural support panels with a brick veneer accented by cast stone wall caps. The Cleburne Avenue garage is highlighted by a perforated metal panel system on the south and west elevations. The Ennis Street garage features burnished block stair/elevator towers and EIFS crown molding around the roofline. A portion of the first floor within the Ennis Street garage will accommodate leased retail space. Integrity Parking was the developer of this sizable parking garage assignment and Horizon Group International served as construction manager. Architectural services were provided by

Smith & Company Architects and structural engineering services were provided by Walter P. Moore Engineers and Consultants. □

Cadence McShane Completes Laura Welch Bush Elementary School

Student enrollment within the Pasadena Independent School District has arrived at the 50,000 mark and continues to grow, prompting the need for additional educational facilities. The Houston office of Cadence McShane achieved an

on-time completion of the Laura Welch Bush Elementary School despite adverse weather conditions including Hurricane Rita that struck the Houston area during the early stages of construction. In spite of these challenges, Cadence McShane completed the new 98,869 square foot educational facility in time for the scheduled school opening. The building was constructed with a structural steel frame and a contemporary brick veneer exterior with aluminum storefront windows and canopies over the entrances. In honor of United States' First Lady, Laura Welch Bush, for whom this facility has been named, the interior was designed with a red, white and blue color scheme to create a patriotic ambiance. The school includes 27 classrooms to accommodate pre-kindergarten and kindergarten classes as well as first through fifth grades. Cadence McShane also completed science and computer labs, library, music room, gymnasium, cafeteria with kitchen/serving space and an administration area. Dansby & Miller Architects provided the architectural services for this educational project. □

Cadence McShane to Construct New HQ for Torchmark

Torchmark Corporation, specialists in the sale of life and supplemental health insurance, will soon be adding 500 new jobs within the City of McKinney, Texas at its 150,000 square foot corporate headquarters to be constructed by the Dallas office of Cadence McShane. The headquarters will be located on a 43-acre site at 3700 South Stonebridge Drive, adjacent to the existing offices of United American Insurance, a subsidiary of Torchmark. The two-story headquarters facility will be constructed of concrete tiltwall panels accented with a pleasing exterior pattern of brick and cast stone. Extensive window lines will allow generous natural lighting into the interior spaces designed to accommodate both private office configurations and open, modular workstations. In a previous assignment with Torchmark Corporation, Cadence McShane was selected to complete the site work for this project that included 439 new parking spaces, exterior site lighting and natural landscaping. Cadence McShane and architect, Alliance Architects, Inc., will provide completion of the new corporate headquarters in November 2007. □



Cadence McShane has been selected to construct the new 150,000 square foot, two-story office headquarters for Torchmark Corporation located on an 18-acre site in McKinney, Texas with completion scheduled for November 2007.

Feature Department

Projects in Progress



PARK VIEW AT COVENTRY STATION – ATLANTA, GA



EASTPOINT V – DALLAS, TX



SOUTHWEST MIDDLE SCHOOL – DESOTO, TX



WHITE'S CHAPEL UNITED METHODIST CHURCH – SOUTHLAKE, TX

Pictured are several current projects in progress by Cadence McShane and McShane Construction that include build-to-suit, design/build and general construction for the distribution, warehouse, office, multi-family, educational and church markets.



LIBERTY POINT CORPORATE CENTER – LIBERTYVILLE, IL



METROAIR BUILDING THREE – INDIANAPOLIS, IN



REGENCY PLACE – OAKBROOK TERRACE, IL



CUNA MUTUAL GROUP – FORT WORTH, TX

CONTINUED FROM FRONT PAGE Healthcare

inpatient hospital surgeries that took place during that same year. The acceptance and cost-savings realized by free-standing ambulatory surgery centers (ASCs) and ASCs that are integrated within medical office buildings continues to command a healthy share of new construction. Diagnostic imaging centers, specialty hospitals and centers of excellence (specialized cancer or

cardiac facilities) follow closely in growth.

Medical buildings, hospitals and healthcare-related facilities are also of interest to private and institutional investors. This has provided a huge influx of capital to support the increasing level of expenditures necessary to develop, construct and operate the growing numbers of healthcare facilities.

In response to the rising interest and demand for new medical properties, members of The McShane

Companies have participated in numerous medical office developments including the 101 Medical Office Center located at the Algodón Medical Office Park in Phoenix, Arizona; the Prairie Pointe Medical Office Center located at Prairie Stone in Hoffman Estates, Illinois; and the new Livingston Medical Arts Pavilion on the hospital campus of the Memorial Medical Center Livingston in Livingston, Texas. Whether considering an expansion, renovation or

new healthcare facility, consult our experts to ensure that your project provides a healthy impact on the bottom line. □

COMMON GROUND is published in January, May and October of each year by:

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