

This Week's Houston Deal Sheet

March 28, 2021 [Christie Moffat, Bisnow Houston](#)

Trammell Crow Co. and joint venture partner Clarion Partners LLC have broken ground on a 255.7K SF industrial building in northwest Houston.



Courtesy of Trammell Crow Co.
A rendering of Seton Lake Logistics Center in northwest Houston

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The speculative project, known as Seton Lake Logistics Center, is located on Highway 249 at Seton Lake Drive and is designed to target medium-to-large-sized distribution, fulfillment, e-commerce and light industrial users.

The Class-A cross-dock industrial building, which has been designed by Powers Brown Architecture, will sit on 16.8 acres and feature a 32-foot clear height, 52-foot column spacing and 36 trailer spaces. Construction is slated to be complete in October.

Rosenberger Construction is the general contractor for the project. CBRE's Faron Wiley and Joseph Smith have been appointed as the leasing agents.

PEOPLE

Nic Bustamante joined Patrinely Group LLC as senior vice president. Bustamante brings over 20 years of global experience in the hyperscale data center development space, ranging from site selection to design, construction, commissioning and operations in more than 100 markets. Most recently, Bustamante served as the head of Global Infrastructure Strategy, Research and Development at Apple. He has held similar managerial positions at Google, Microsoft and Rackspace.

Kenneth Valach, the chief executive officer of Trammell Crow Residential, Crow Holdings Industrial and Crow Holdings Office, has been named executive chairman of affordable housing developer New Hope Housing's board of directors. Valach succeeds outgoing executive chairman Sanford Criner Jr., who served a two-year term in 2019 and 2020. New Hope Housing has nearly 1,400 apartment homes at nine Houston properties and 220 units across two complexes under development.

Texas Restaurant Association CEO Emily Williams Knight will transition into a newly formed role at the National Restaurant Association. She will lead the National Restaurant Association's strategic portfolio and will focus on

advancing and protecting the industry by strengthening partnerships with state restaurant associations and by developing new products, services and capabilities designed to meet the needs of current and prospective members.

Knight will begin her transition in May while continuing to oversee the Texas Restaurant Association and its efforts through the summer of 2021. Stanton Chase is assisting with the new CEO search.

SALES



Courtesy of Rockspring

The 187-acre site purchased by DR Horton for the expansion of the firm's Tamarron Lakes master-planned community in west Houston.

DR Horton purchased 187 acres in the Katy South area of Fort Bend County. The site was purchased in late 2020 and will be used to expand the firm's Tamarron Lakes master-planned community. The property is south of Jordan Ranch and west of Tamarron Lakes at the future intersection of Jordan Ranch Boulevard and Tamarron Parkway. Rockspring's Chris Hutcheson, James Kadlick, Matt Herring and Harrison Kane brokered the transaction.

An undisclosed buyer purchased 13744 Pike Road, a 15.5K SF industrial building in Missouri City. This was the sixth sale and last available building at Pike Road Business Park. Henry S. Miller's Sam Chang represented the buyer, while NAI Partners' Travis Land and A.J. Williams represented the seller, Adkisson Group.

An undisclosed buyer purchased A-1 Mini Storage, a 280-unit self-storage facility composed primarily of climate-controlled units in Spring. A-1 Mini Storage features amenities such as perimeter fencing, security lighting, concrete driveways and a wrought-iron security gate with personalized keypad entry. Marcus & Millichap's Brandon Karr, Danny Cunningham and Dave Knobler had the exclusive listing to market the property on behalf of the seller, a limited liability company.

Elandis acquired Waters at Westchase, a 260-unit multifamily community in Westchase. The acquisition is part of an Elandis joint venture between London-based M&G Investments and the Libra Group, a multinational conglomerate. The joint venture, which is deploying its first tranche of \$50M of equity, is expanding Elandis' core business of investing in workforce multifamily assets in the U.S. Built in 1979, Waters at Westchase is located at 11490 Harwin Drive. The one- and two-bedroom units will receive upgrades, and its common areas and amenities will also receive major investment.

Enterprise Holdings purchased 4.88 acres to develop a truck rental and used car sales lot within Park Air 59 in northeast Houston. NewQuest Properties' Neal Thomson represented the buyer, while NewQuest Properties' Austin Alvis and Cunningham Ventures' Preston Cunningham represented the seller, Archway Properties.

Greater Houston Kidney Clinic purchased 1.4 acres to develop a 20K SF medical office project within Park Air 59. Greater Houston Kidney Clinic has selected Archway as its consultant and project manager for the dialysis clinic and medical office building. The design phase will get underway in the coming months. The buyer represented itself in the transaction, while NewQuest Properties' Austin Alvis and Cunningham Ventures' Preston Cunningham represented the seller, Archway Properties.

An undisclosed buyer purchased the 10.1K SF Willis Crossing retail center at 9571 FM 1097 Road in Willis. RESOLUT RE's Taki Dallis and Myra Vorrice represented the buyer, while CBRE's Matt Berry represented the seller.

An undisclosed buyer purchased 2.24 acres at Interstate 45 and Rankin Road in North Houston. RESOLUT RE's Mohamed Gamal represented the seller, Gamal Enterprises Inc.

An undisclosed buyer purchased 3 acres at Morton Ranch Road and Porter Road in Katy. RESOLUT RE's Mohamed Gamal represented the seller, Gamal Enterprises Inc.

Fidelis Realty Partners purchased 31.64 acres of undeveloped land in the Willis/Conroe area for future retail development. The land is part of the 500-acre Moran Ranch development and is located on the east side of Interstate 45 North and FM 1097. The seller was MRSS Partners Ltd., a partnership of Satya Inc. and Stolz Partners. The partnership purchased the property in July 2019 and is in the midst of creating a mixed-use development consisting of retail, multifamily, office and a potential medical campus. There were no brokers involved in the transaction.

Xuyen Trang purchased 1.2 acres of undeveloped land in Cinco Ranch for future development. The site is at the intersection of Mason Road and Fry Road. The land is the final section of an original 8-acre parcel purchased in 2008. LV Realty's Lily Loh represented the buyer, while Blue Ox Group's Joshua Jacobs represented the seller, Satya Inc.

LEASES

Tailift Material Handling USA leased 37.5K SF at 14710 John F. Kennedy Blvd. within Interwood Distribution Center in North Houston. The Class-A industrial building was completed in 2020. Lee & Associates' Stuart Wiseheart represented the tenant, while Holt Lunsford Commercial's Craig Bean, Kelly Landwermeyer and John Kruse represented the landlord, a joint venture between Holt Lunsford Commercial and GID Industrial Advisors.

CONSTRUCTION AND DEVELOPMENT



Courtesy of Transwestern

A rendering of West Gulf Bank Distribution Center in northwest Houston

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Transwestern Real Estate Services and Molto Properties broke ground on West Gulf Bank Distribution Center, a 115.6K SF Class-A distribution building in Brookhollow West Business Park, at 9700 West Gulf Bank. West Gulf Bank Distribution Center is an industrial development in northwest Houston. The development will accommodate 97 car parking spaces, 24 trailer parking spaces, 28 loading docks and two drive-in doors and ramps.

Transwestern's Nick Peterson and John Ferruzzo represented Molto Properties in the acquisition of the land site and subsequent building. The team additionally provided Molto Properties brokerage services in the sale of the land and building to Armstrong Relocation, which will occupy the building upon completion in September.

Hines and Ivanhoé Cambridge announced the structural topping out of Texas Tower, the 47-story, 1M SF Class-A office tower in Downtown Houston. The project is being designed by Pelli Clarke Pelli, and Hines said it is being built to the highest standards that Hines has ever developed in Houston, including LEED Platinum, WiredScore and WELL Building Standards.

Texas Tower is scheduled to open in the fourth quarter of 2021 and is 40% leased with tenants including Hines, Vinson & Elkins, and DLA Piper.

A new luxury senior living community at 2315 Richmond Ave. in the River Oaks/Upper Kirby area has opened an information center to the public. Doors to the full community open in fall 2021 under the name MorningStar Assisted Living & Memory Care at River Oaks. Development of the property is a joint venture between affiliates of MorningStar Senior Living and Hines.

MorningStar's senior community will offer 85 suites for assisted living and 27 secure suites devoted to residents with Alzheimer's disease or other forms of

dementia. MorningStar's continuum of service allows residents to extend their stay until a condition calls for 24-hour nursing.

The Harris County Housing Authority and development partner LDG Development officially broke ground on March 25 on Northwood Apartments, a multifamily development at 12620 Eastex Freeway, to replace housing lost during Hurricane Harvey.

The development is financed with Harris County's Community Development Block Grant — Disaster Recovery funds in conjunction with private financing from Citi Community Capital and AEGON USA Realty Advisors LLC. The \$53.9M community will have 288 new apartment units for families seeking housing near the Eastex Freeway in the Shelvin Acres community.

The apartments are expected to begin leasing in 2022, offering a mix of one-, two-, three- and four-bedroom units. This development will serve residents at incomes below 80% of area median income.

D'Agostino Cos. broke ground on The Reserve at Baybrook, a new 291-unit, Class-A multifamily development at 19302 Glenwest Drive in Friendswood. JLL's Chris Bergmann Jr. represented D'Agostino Cos. in the off-market land acquisition.

The Reserve at Baybrook will include a mix of one-, two-, and three-bedroom floor plans. The project is set to open in early summer 2022.

FINANCING

3650 REIT invested \$42.5M of junior interests in the first-mortgage loan secured by Brookfield Property Partners' One and Three Allen Center, two Class-A office towers in Downtown Houston. This transaction follows 3650's December investment in \$23.8M of controlling junior interests in the first

mortgage backed by Brookfield's The Mall in Columbia, a luxury shopping mall in Columbia, Maryland.

The junior interest investments include control classes and represent junior classes of both deals, including the horizontal risk-retention pieces. 3650 was also named special servicer on each deal, mirroring a structure common to large life insurance company loans. Brookfield agreed to annual 5- and 3-basis-point fees, respectively, over the life of each loan.

The One and Three Allen Center loan is secured by One Allen Center and Three Allen Center, as well as the complex parking facility and athletic and social club amenities, comprising approximately 2M SF of mixed-use space.

The Uptown Development Authority completed the second half of its \$112M bond financing. The bonds consisted of a \$48M privately placed series 2021A bond at 2% and a \$64M public offering series 2021B bond at 3.52%, for an all-in combined cost of 3.18%. The proceeds will fund affordable homes throughout Houston, directed by the City's Housing and Community Development Department.

The dual-brand hotel Holiday Inn Express Houston and Staybridge Suites Houston – Galleria Area property will soon open to guests. The property offers two distinct lodging experiences under one roof and includes 319 keys with 2.6K SF of shared, flexible meeting and event space. Both brands are franchises of InterContinental Hotels Group.

American Liberty Hospitality, the developer, tapped Arch-Con Corp. as the general contractor and MCS Architects to design the project. Construction financing was provided by Plains Capital Bank and Artemis Real Estate Partners.

THIS AND THAT

Chicago-based Dayton Street Partners selected NAI Partners as the exclusive leasing agent for its 90-acre truck terminal at 5800 Mesa Drive in northeast Houston. NAI Partners' John Simons, Chris Haro and Jack Gilbert are marketing 5800 Mesa on behalf of DSP, which acquired the property in January.

5800 Mesa Drive is a 500K SF truck terminal featuring 333 doors and a 33-bay maintenance facility on a 90-acre site. DSP has commenced with the multimillion-dollar renovation of the truck terminal, as well as the development of approximately 29 acres of fully improved, lighted and secured trailer parking.

The eastern portion of the 29-acre development has 213 secured trailer parks on 9.26 acres, and the southern portion has 574 secured trailer parks on 19.94 acres. The truck terminal has available for lease approximately 123K SF that features 113 doors and 156 secured trailer parks.

JLL has been selected as the exclusive leasing partner for Regency Centers' Eastfield at Baybrook, a new retail center under development at the corner of I-45 and El Dorado Boulevard. Anchored by Texas grocer H-E-B, the shopping center will offer open-air seating, greenery and walkability for guests. JLL's Rip Reynolds is leading the leasing and marketing efforts for the shopping center, which is scheduled to deliver in early 2022.

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