

# DOWNTOWN REAL ESTATE UPDATE

FOURTH QUARTER 2013

Two downtown overviews: New [PowerPoint presentation](#), new [Current Projects Map](#), and updated [bird's-eye-view map](#) (when documents are updated, they get new URLs, so to ensure you've got the latest, you can check the [Maps](#) and [Development](#) sections of the downtown portal).

## OFFICE ACTIVITY

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Several office buildings are proposed/planned, including

- Chevron has now set the final decision and start of construction of its planned 1.7-million-sf tower for 2015 instead of 2014. See [HBJ](#) and [Chron](#) articles. Of note, Chevron recently expanded their downtown footprint with the purchase of Block 352 (between 800 Bell and the new YMCA), which will be used as a parking lot and lay-down site during construction of the new building. See [Chron](#) article.
- 609 Main, a 1.05-million-sf tower by Hines is underway, with planned 4Q16 occupancy. Demolition of Texas Tower (the 21-story vacant building on the NE corner of the block) has begun. Building [details](#) are posted on Colvill's site. See also Chron articles, [Hines sets timeline](#) and [Hines bets on Houston](#)
- Shorenstein will begin redevelopment work in 2015 on 800 Bell, with delivery of the first floors in 4Q16 and the anticipated availability of the entire building by the end of 1Q17. See renderings on [Ziegler Cooper](#)'s website.
- Skanska is proceeding with select demolition of the Houston Club Building in preparation for Capitol Tower, a 35-story, 750,000-sf tower.
- Construction documents are complete for Crescent's 6 Houston Center, a 30-floor, 600,000-sf tower to be built on Block 95 (one block north of 1 Houston Center).
- Brookfield has brushed off its plans for 5 Allen Center and is actively marketing the planned 50-floor, 1.2 million-sf building.
- A 42-floor, 750,000-sf tower to be called International Tower is planned for the block between the Chronicle building and Market Square Park by Essex and Stream.

The above buildings, including renderings of most, are included in the [PowerPoint](#) available on the downtown portal.

Related article: Downtown buildings renovate to stay current with edgy tenant demands – [HBJ](#).

## HOTELS

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Downtown's stock of hotels is about to jump from 16 hotels to potentially 22 or more in 2017, with the hotel room count potentially rising 44% -- from 5,096 to about 7,350 rooms. Proposed hotels include the following: SpringHill Suites Hotel (166 rooms) which will result from the conversion of Humble Tower Apartments, the JW Marriott (325 rooms), the Marriott Marquis (1,000 rooms), Hampton Inn (168 rooms), Homewood Suites (132 rooms), Hyatt Place (261 rooms), and Holiday Inn (200 rooms).

Also of note, the Four Seasons Hotel has been purchased. Articles: [Bloomberg](#), [HBJ](#).

## RESIDENTIAL

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Responding to demand for downtown residential units, and bolstered by the downtown [residential incentive program](#), developers are working to deliver new product. New planned residential projects:

- Marquette Companies is planning a 28-story, 380-unit residential building with commercial ground floor, a 9-story embedded garage and 7-story liner with 13 street-level live-work units. Construction start date 3Q14, occupancy 3Q16. Block 52 (Texas/Austin/Prairie/La Branch).
- Allied Orion Group is planning a 10-story, 302-unit residential building with 5 street-level live-work units on Block 384 (St. Joseph/San Jacinto/Jefferson/Caroline). The planned construction start date is 4Q14, with occupancy in 4Q16.
- Camden Property Trust is planning a 2-block, 2-phase development on Blocks 330 and 346 (La Branch/Bell/Austin/Pease). The buildings will be 12 stories, and will total 518 units. Construction of the first building will begin 2Q15, with the second beginning 2Q17.

Previously announced projects:

- Downtown's next residential property to open will be SkyHouse Houston, which topped out the second week of December. Novare Group's 336-unit, 24-floor residential property will open next June. Watch the construction of the property from their [webcam](#).
- Construction continues on 500 Crawford, which will occupy the two blocks next to Minute Maid Park. This Finger Companies' project will be a 397-unit, 7-story apartment property. Relocation of utilities is complete, and construction is about to begin, with leasing beginning in May 2015.
- Work is underway to convert the Old Texaco Building (1111 Rusk) to 270 residential units plus an adjacent garage.
- Alliance Residential is planning to develop a 207-unit apartment complex one block north of SkyHouse Houston. Alliance has closed on the land and will begin

construction any day. The site can be seen in the foreground of the [webcam](#) set up for SkyHouse Houston. See [HBJ](#) article.

- Hines is conducting its analysis of a potential new 33-floor, 289-unit residential tower called Market Square Apartments at the southeast corner of Travis and Preston. Potential occupancy 4Q16. See [Swamplot](#) article.

Maps for reference: [Block map](#), [Current Projects map](#), [Above & Below map](#).

## **ALSO OF INTEREST**

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- The 5.3-mile light rail North Line extension opened Dec 21. The Southeast Line will open in Aug/Sept 2014. The East End Line will open about the same time, but without the Hughes Underpass (at the far east terminus), which will be completed later. The heavy-duty construction in downtown is winding down; finishing touches and testing will be completed next year.
- As reported in the [Chronicle](#), the US Post Office is marketing, through CBRE, the downtown post office site. We'll hear more on that later.
- A new parking garage will be constructed on a ½-block parking lot, with construction beginning in January and anticipated completion September 2015. The 16-story, 1,600-space garage will be connected to the tunnel system and will support Wells Fargo Plaza's tenants. Gensler designed the garage, which will be developed by Trammell Crow. The ½ block is on the SE corner of Louisiana and Polk (north half of Block 298). See [Chron](#) article.
- If you haven't seen it, here's the new [Houston Club!](#)

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