

DOWNTOWN REAL ESTATE UPDATE

THIRD QUARTER 2014

Most frequently requested items: [Current Projects Map](#) (September) and the [Downtown Update PPT](#) (October).

(The maps are updated about monthly. If using it a month or so from now, check the [Maps](#) section of the downtown portal to see the latest version).

OFFICE ACTIVITY

Updates on several downtown buildings:

- Construction of 609 Main at Texas, a 1.05-msf, 48-story tower by Hines, is planned for December 2016 (updated date) occupancy. See [details](#) and [webcam](#).
- As has been widely reported, Skanska imploded the structure on the southern half of their block (the former Houston Club Building) on October 19. Skanska continues to provide parking in the annex building on the north side of the property. A new parking garage will be built on the southern half of the block which will serve a future 750,000 rsf, 35-floor office building, Capitol Tower. See the building's [website](#) and [video](#).
- Transwestern, which is marketing 800 Bell, has posted a marketing [video](#) with simulation. [Shorenstein](#) will begin redevelopment work in 2015, complete work in 2016 and deliver in the first quarter of 2017.
- Construction documents are complete for Crescent's planned 6 Houston Center, a 30-floor, 600,000-sf tower. Article: [New Details Emerge](#).
- Brookfield has brushed off its plans for Five Allen Center, which they have said they will build when they land a tenant. They plan to build a 50-floor, 1.2 million-sf building on a site owned just north of its Allen Center garage.
- A 41-floor, 750,000-sf tower, to be called One Market Square, is planned for the block between the Chronicle building and Market Square Park, to be developed by Essex and Stream.

The above buildings, including renderings, are included in the updated PPT and map referenced above.

RESIDENTIAL

One new residential property has opened, five are under construction, and at least nine more are planned. Developers are responding to pent-up demand for downtown residential units, boosted by the desire of young professionals to live in urban areas with lots of other people, lots of activity, all of which is walkable and accessible with transit, Uber, Zip Car, etc. Development has been encouraged with the downtown [residential incentive program](#). Out of the maximum 5,000 units eligible for the incentive, 2,688 units are under agreement and another 1,168 are not under contract but have board authorization. See also [Chron](#) on new downtown highrises.

Maps for reference: Downtown [residential development map](#), [Block map](#), and [Current Projects map](#).

Completed:

- Residents have been moving into [SkyHouse Houston](#), the recently completed 336-unit, 24-floor residential property at 1625 Main. The property was developed by Novare Property Group and Peter W. Dienna, partners with Simpson Property Group. A second property, SkyHouse Main, is now planned next door (see below).

Under construction:

- 500 Crawford, which will occupy the two blocks next to Minute Maid Park. The garage structure has been completed, foundation work is complete and steel framing is well underway on the southern half of the property. This Finger Companies' project will be a 397-unit, 7-story apartment property. The project is slated for completion in May 2015. Construction [progress](#) can be seen through 609 Main's webcam.
- The Old Texaco Building (1111 Rusk) is in the process of being converted to 323 residential units plus an adjacent garage. Estimated occupancy 4Q15.
- Foundation work on Block 334 is underway by developer Alliance Residential. Their 207-unit apartment complex is one block north of SkyHouse Houston. Estimated occupancy 2Q15.
- Market Square Tower, a 40-story, 463-unit residential tower and renovation of an existing garage (which formerly housed Kim Son's event space) began excavation work in September. Woodbranch Tower, LLC is the developer, and estimated completion is 1Q17. See articles, [HBJ](#), [Chron](#).
- A 148-unit apartment building in the southeast corner of downtown (St. Joseph, Chenevert, Pierce and Hamilton) has started construction. Those familiar with the Downtown Living Initiative program should note that this project is not included in the program.

Planned multifamily:

- Hines is planning a new 32-floor, 274-unit residential tower to be called The Residences at Market Square, at the southeast corner of Travis and Preston. Potential occupancy 3Q16. See [Ziegler-Cooper's](#) images and description.
- Allied Orion Group is planning an 8-story, 240-unit residential building at San Jacinto and Jefferson. The planned construction start is 4Q14, with occupancy in 3Q16.
- Marquette Companies is planning a 28-story, 361-unit residential property at Texas and La Branch. Planned construction start 3Q14, occupancy 4Q16. Block 52 (Texas/Austin/Prairie/La Branch).
- Camden Property Trust is planning a 2-block, 2-phase development on Blocks 330 and 346 (La Branch/Bell/Austin/Pease). It has been announced that the two properties will total 518 units. Construction of the first building is estimated to be 1Q15-1Q17 and the second building 1Q17 to 1Q19. See 5/7/14 [Chron](#) article.
- A 40-story, 300+-unit residential tower with 12-story garage podium is planned on the eastern portion of Block 98 (Rusk/Crawford/Walker). Trammell Crow is the developer. Planned construction start 1Q15 and completion 1Q17.
- A 6-story, 267-unit residential building by Trammell Crow Residential called Alexan Downtown is planned to start construction 3Q14 with completion 1Q17.

- Leon Capital is planning a 5-story, 220-unit residential property. Construction start date 4Q14, with occupancy 2Q16.
- SkyHouse Main will be Novare's second downtown property. The 24-story, 336-unit property will be built one block south of SkyHouse Houston, with planned construction start 4Q14 and completion 1Q16. See also articles: [HBJ](#), [Chron](#). From their [press release](#); "'We are excited to be working on the second tower in our SkyHouse development in downtown Houston,' said Jim Borders, President, Novare Group. 'Early indications are that the market is responding well, as we thought it would, to the central business district location, public transit access, rooftop amenity package, and exciting city views of SkyHouse Houston. The next step is the critical mass of residents who will create a great neighborhood, and that is the vision of the City of Houston and Central Houston, Inc. that we are a part of.'"
- [HBJ](#) and the [Chronicle](#) have reported that a condo project called Marlowe, by Randall Davis and Roberto Contreras, is planned. Location and number of units have not been disclosed.

HOTELS

- The JW Marriott has opened! See their [website](#), coverage in [HBJ](#), [Chron](#) on the [uniforms](#), [CultureMap](#).
- The 1,000-room Marriott Marquis is under construction, with opening 3Q16 -- in plenty of time for the 2/5/17 Super Bowl game. Here's their [website](#) and [webcam](#) with two views.
- Also under construction are the two hotels which will share a half block: a 168-key Hampton Inn and 132-key Homewood Suites. Completion 1Q16.
- The former Savoy is being converted to a 215-key Holiday Inn.
- SpringHill Suites is underway and will replace the former Humble Tower Apartments. Hotel company RLJ Lodging Trust purchased the full block, which also includes the Courtyard by Marriott and Marriott Residence Inn.
- Construction will commence soon on Hotel Alessandra, a proposed 225-room, 25-story hotel which will become a part of GreenStreet The hotel will be positioned as a five-star hotel. Planned opening is 4Q16.

Downtown's stock of hotels is now at 17 hotels and 5,424 rooms, and by the end of 2016 should have 24 hotels and 7,560 rooms.

[Chron](#) article on [New Crop of Hotels](#). Details on hotels under construction and planned can be found on the [Current Projects](#) map.

ALSO OF INTEREST

- UHD Welcome Center/Garage, a three-story garage with one occupied floor above, plus adjacent Welcome Center. Completion 3Q15. Details [UHD](#) and [CultureMap](#).
- Greater Houston Partnership Building / Parking Garage / Hotel. Site excavation has begun, and it is estimated that the garage will be in operation in 3Q15 and the office building in February 2016. Articles: [Partnership Getting a New Downtown Office Building](#), [Plan Calls for Hotel to Perch Atop New Tower](#).
- The Nau Center for Cultural Heritage estimates a construction start in November, with an opening in late 2016.

- Six in the City, B-Cycle, ZipCar and Greenlink are going strong (Greenlink has about 1,000 riders/month average)
- Construction is underway for a new parking garage on a ½-block site at Louisiana/Milam/Polk. Anticipated completion is September 2015. The 16-story, 1,600-space garage will be connected to the tunnel system and will support Wells Fargo Plaza's tenants.