

Deal of the week: Prime location helps sell 1980s-era office building

By Katherine Feser

Published 11:40 p.m., Friday, August 10, 2012



Granite Properties has expanded its portfolio with the acquisition of 3355 W. Alabama. The property, between Greenway Plaza and River Oaks, offers treetop views and access to the Galleria and downtown. Photo: Courtesy Photo / Stephen Anderson

0

0

0

Comments (1)

Email This

Larger | Smaller

Font

Printable Version

Granite Properties has purchased 3355 W. Alabama, an updated 1980s-era office building that has appealed to tenants who want to work near where they live.

The property was purchased from [KBS Realty Advisors](#) for an undisclosed sum.

Located on the fringe of Greenway Plaza, the 12-story, 236,932-square-foot building is across from [Lamar High School](#) between the neighborhoods of [River Oaks](#) and [West University Place](#). It is 94 percent leased to more than 40 small tenants, with law firms, hedge funds and energy companies in the mix.

Granite Properties will manage and lease the property. The Plano-based firm was represented in-house by [Will Hendrickson](#) and [Paul Bennett](#) in the purchase.

Growth in Houston's occupancy rates and the property's prime location factored in to the purchase, the company said. Its portfolio includes buildings in Westchase, Sugar Land, the Greenway Plaza area and one along U.S. 290. It is also building the 12-story Granite Briarpark Green office property in Westchase and a plans an eight-story building near The Woodlands.

KBS Realty Advisors made many capital improvements during the five years in which it owned the building. The work included replacement of chillers, roofing, elevator upgrades and sprinklers.

The upside for rent increases made 3355 W. Alabama an attractive investment, said [Ken Page](#) of Transwestern who, along with [Scott Myers](#), marketed the property for the seller. Most of the rents in place are below market.

"Even though in the rest of the country you may have a tough time selling office buildings, in Texas you do not," Page said. "There are so many investors that want to be in Houston, Austin or Dallas because of the strong economy."