

DEAL OF THE WEEK: Bay area development is big on space

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By Katherine Feser

HOUSTON - Principal Global Investors has selected Stream Realty Partners to develop, lease and manage its Bay Area Business Park at Red Bluff Road and Bay Area Boulevard.



Bay Area Business Park at Red Bluff Road and Bay Area

Boulevard will feature finished office space and warehouse space with sizes from 20,000 square feet to nearly 500,000 square feet.

The 137-acre project near the Port of Houston's Bayport and Barbours Cut shipping terminals will be built in two phases, with nearly 2.5 million square feet of warehouse space.

The first building of the initial phase is scheduled for completion in October, with two more to follow containing more than 1 million square feet combined. The second phase is available for build-to-suit opportunities.

The project will offer spaces from 20,000 square feet to nearly 500,000 square feet. It will feature finished office spaces with frontage along Red Bluff and warehouses in back for distribution and logistics companies.

"The park is very versatile and can accommodate a lot of different types of users," said Kyle Valentine of Stream Realty. Valentine is marketing the project along with Justin Robinson and Chris Money, while Brice Hill of Stream Realty is overseeing development.

The vacancy rate for industrial space in the southeast Houston region stood at 8.9 percent in the second quarter, according to Costar. Several projects are in the pipeline with 1.9 million square feet under construction and 800,000 square feet recently completed. In the first half of the year, 1.3 million square feet had been absorbed in the region.

Among the larger recent deals: Palmer Logistics took 468,000 square feet at InterPort Business Park on Bay Area Boulevard; Bayport Global Logistics leased 145,740 square feet on Red Bluff; and St. George Trucking & Warehousing leased 129,375 square feet in Bayport North Industrial Park II on Underwood.

