



CASE STUDY

“The General Electric relocation to Park Towers made the office complex over 90 percent leased.”

Bob Cromwell, Broker

1233 & 1333 West Loop South
Houston, Texas 77027

SITUATION ANALYSIS

The 545,000 square foot Park Towers, a two-building office complex at 1233 and 1333 West Loop South, Houston, was extensively renovated in 1999. Despite the owner's multi-million-dollar investment in this well-located office property, occupancy was stalled at 72 percent for the five years since the renovation. In 2003, only 37,000 square feet were leased. The leasing momentum gained from the renovation had been stalled. Leasing velocity was at a virtual standstill.

Moody Ramin's Office Services team researched the market perception of Park Towers. Prominently positioned in the Galleria/Post Oak market, the property was being bypassed by brokers, regardless of its high quality. Brokers perceived ownership as unpredictable and, in some case, intractable in the deal-making process. In a market where almost every deal is represented by a broker, the lack of broker confidence in ownership was a significant detriment. A succession of three different in-house leasing agents in three years had also contributed to the breakdown in broker relations.

STRATEGY & SOLUTION

Moody Ramin's Office Services group developed a plan to work with the owner's in-house leasing personnel. Moody Ramin's strong ties with the brokerage community enhanced confidence in the project. Brokers representing major tenants in the market were re-introduced to Park Towers under the auspices of Moody Ramin. Moody Ramin assessed the space and put a 100,000 square foot big block at the top of the list. We inventoried transactions in the market and identified large-user prospects. The MRI team improved timing and response to tenant and broker inquiries. One 6,000 square foot lease was closed within three days of the tenant's first call to the property.

A 90,000 square foot tenant, General Electric, was identified; following the advice of its broker, this major tenant had not considered Park Towers. Moody Ramin introduced the owner to the broker at the inception of the MRI assignment. The owner realized the potential of the deal and took the initiative to close it. The GE relocation to Park Towers made the office complex over 90 percent leased.

Relationships in Real Estate

For More Information:
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RESULTS

Park Towers' occupancy soared from 72 to 92 percent in three months. The negative perception of ownership by brokers was converted into a positive by prompt deal follow-through. The in-house leasing team participated in the lease-up and honed its skills in successful transactions.

OWNER'S GOALS

The owner hired Moody Rabin Interests to lease-up Park Towers to 90 percent. In addition, the owner wanted to retain the in-house leasing team to handle leasing and tenant retention after Moody Rabin's specific assignment was complete.

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