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Moore&Associates breaks into Round Rock's office market

Austin Business Journal - by [A.J. Mistretta](#) ABJ Staff

A Maryland firm building on its Austin-area assets has added one of Round Rock's premier office properties to its portfolio -- just as nearby projects are gearing up.

Moore&Associates Inc. recently bought The Summit at La Frontera, an 87,111-square-foot Class A building at 810 Hester's Crossing. The property is 90 percent leased to tenants that include **Convergys Corp.**, Coldwell Banker and **Wackenhut Corp.** The seller was San Antonio-based **Koontz McCombs LLC**, which developed the property in 2001.

A purchase price was not disclosed. The property is valued at \$10.9 million, according to the Williamson County Central Appraisal District.

Ronnie Landry of Landry Commercial and Walter Saad with CB Richard Ellis marketed the property for sale and brokered the transaction.

The two-story building is within the 328-acre La Frontera mixed-use development at I-35 and State Highway 45, which includes shops, restaurants, offices and apartments.

"It's a terrific location at the convergence of three major highways and at the heart of nearly a million square feet of development," says David Putman, executive vice president of Moore&Associates. He adds that road improvements in the area around La Frontera, coupled with an overall improving market, will mean continued high demand for The Summit's space.

Moore&Associates has amassed a local portfolio of more than 416,000 square feet of office space since entering the market in October 2004. Its acquisitions have been centered around downtown and the Northwest and Southwest submarkets, and include: the 164,044-square-foot Capitol Center at 919 Congress Ave.; the 83,000-square-foot Las Cimas I; and the 82,000-square-foot Arboretum Atrium.

The company added the Round Rock market to its list of target acquisition areas to come one step closer to its goal of doubling its portfolio.

"When we turned our attention to the greater Austin area, Round Rock's rapid job growth and



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David Putman of Moore&Associates says Round Rock's office market is heating up due, in part, to new roads like SH 45.

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business-friendly climate made it the obvious submarket to target in our own expansion," says Stephen Durr, executive vice president at Moore&Associates' headquarters in Bethesda, Md.

The Summit purchase comes on the heels of a series of new project announcements at La Frontera that have almost all of the development's acreage spoken for.

Earlier this month, Koontz McCombs announced that it will build a 27,000-square-foot home for the Austin Regional Clinic's Round Rock operations on 9 acres at La Frontera. Meanwhile, Dallas-based North American Properties Inc. has plans for a 300,000-square-foot mixed-use project that proposes apartments, retail and office space on 9 acres across from the Austin Marriott North. Cousins Properties is working on plans for a mixed-use "lifestyle center" set for 60 acres on the south side of State Highway 45. And the Austin office of Simmons Vedder & Co. plans to close on the purchase of 43 acres in coming months so it can build between 1.5 million and 2 million square feet of office space in the area.

John McKinnerney, a partner with Simmons Vedder, says the completion of SH 45 through La Frontera is likely to be a boon for new office space, making Round Rock the next hot spot.

"It's basically going to create a whole new corridor for large-office users that typically want to access as much of the working population as possible," he says. "You couldn't ask for a better location for office users."

Putman believes his company is coming into the Round Rock market early enough to capture demand.

"It's not its own submarket right now but I think that's coming," he says. "This is right in the middle of where all the growth is happening."

Rents for Class A space in the Round Rock market increased 19 cents last quarter to \$22.82 a square foot, according to a market study by Colliers Oxford Commercial.

amistretta@bizjournals.com | (512) 494-2519

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