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\$6M Loan Sets Up Class A Office Sale

By: Amy Wolff Sorter

Marking its first acquisition in the far northern tier, an investment group from Houston has bought a 71,000-sf, class A office building from the Woodlands Operating Co. The 10-year-old structure is 100%, triple-net leased to Hewitt Associates LLC, a subsidiary of Hewitt Associates Inc.

Creekstone Partners secured a \$6.2-million loan to acquire the asset at 8401 New Trails Dr., which is assessed at \$4.2 million by Montgomery County. **Harbor Capital Group**, also from Houston, arranged the financing through the Cleveland-based KeyBank. Though the final price is off limits, Creekstone president Michael Preston says they paid a little more than the loan amount to buy the 6.5-acre property.

"This asset in particular has a superb tenant, a good credit tenant," Preston says. "Hewitt was one of the first employers in the Woodlands. And, they've been in that building for awhile." He tells GlobeSt.com that Hewitt has five years left on its lease, but it does include the traditional option to renew.

The investment group is searching for retail, single-tenant and multi-tenant buildings with values in the \$20-million to \$100-million range. "This fits in very well with what we're looking for," Preston says. "We have a diverse portfolio of office, retail and multifamily, and we'll continue to look for more opportunities in the Woodlands." But for now, nothing else is under contract in the 27,000-acre, master-planned development.

A Houston team for CB Richard Ellis office represented the seller. The buy side was brokered by Triad Consulting of Houston.