

INDUSTRY NEWS COMMERCIAL REAL ESTATE

## Exclusive: Houston developer scoops up Energy Corridor retail center

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A Houston-based real estate company just scooped up a nearly fully leased retail development in one of the city's most vulnerable submarkets.

The Richland Cos., which owns and manages more than 2.5 million square feet of commercial space in Texas and three other states, acquired a 30,000-square-foot retail center in the Energy Corridor at 5630 N. Eldridge Parkway for an undisclosed price.

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The seller was 5630 Eldridge Parkway Investors Ltd. and Bassam Barazi; both were represented by New York-based Cushman & Wakefield. The Richland Cos. was represented by its president and CEO, Edna Meyer-Nelson.

This marks the company's first entry into the west Houston submarket, which has been struggling amid the ongoing oil slump.

"I'm a firm believer in that, as everybody else is running (away from something), I want to run toward it," Meyer-Nelson said. "I think the Energy Corridor is still going to be the Energy Corridor. I think it's a wonderful area and people like the area."

The retail complex, called Lakes on Eldridge Centre, maintains a 95 percent occupancy rate and holds tenants such as Houston Faith Church, Edward Jones & Company Financial Planning and First Community Credit Union. Meyer-Nelson said the center is full of "destination-necessity tenants," which indicates long-term health for the center.

Meyer-Nelson also said that roughly 45 acres of undeveloped land sit across the street from the retail development, which further motivated her in the purchase.

"My speculation is that within the next two or three years, that'll be developed," Meyer-Nelson said. "I think it'll probably be a big retail shopping center with a grocery-anchored shopping center, apartments and town homes. If not that, homebuilders will flock to that area because homebuilders have already flocked to this area."

The Richland Cos.' assets are estimated at more than \$250 million, according to a company statement. The company owns and manages an estimated 1.8 million square feet of property in Houston.

Last summer, the company purchased 550 Post Oak and relocated its headquarters to the 58,000-square-foot Uptown office building. The company formerly headquartered at 1110 N. Post Oak Lane, near Interstate 10.