

INSIDE

Memphis move

Rice processor Riviana Foods is phasing out its Houston plant and retrenching to Memphis. **PAGE 2A**



Banking on growth

Sterling Bank to consolidate operations in the Brookhol-low Central complex. **PAGE 6A**



Changing spaces

While two stores are closing, three retailers new to Houston are set to open at the Galleria. **PAGE 8A**

Over and out

Derelict drilling platform Zeus will finally be removed from the Freeport Ship Channel. **PAGE 9A**



Digging in downtown

Merrill Lynch is consolidating its Houston private banking and investment group in new downtown digs. **PAGE 10A**



SPLASHING IN:

The Fountains on the Lake retail center in Stafford has been bought by Dunhill Partners for \$102 million. **PAGE 2A**



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More HP space hits selling block

Computer giant keeps shrinking at once-bustling site

BY JENNIFER DAWSON
HOUSTON BUSINESS JOURNAL

Hewlett-Packard Co. continues to whittle down its real estate holdings at the former Compaq Computer Corp. campus in Northwest Houston — this time through an effort to sell more than 2 million square feet of excess space.

The Palo Alto, Calif.-based computer company — which purchased Houston-based Compaq for \$19 billion in 2002 — is consolidating employees into certain parts of its Northwest Houston campus so it can market 2.09 million square feet of space for sale, although HP will first have to lease out some of the space to better po-



The portion of the HP campus that is being offered for sale (pictured) has an estimated replacement value of \$527 million.

sition the property.

The entire package — which has an estimated replacement cost of \$527 million — consists of 2 million square feet of office space; a 900-seat cafeteria; a fitness center; a conference center; and parking garages with nearly 6,000 spaces. All of the

buildings are connected by an air-conditioned walkway.

The 103-acre site also includes 20 acres of undeveloped land and five acres that could be redeveloped.

“It’s a self-contained campus,”

SEE HP, PAGE 57A

CITYBEAT

Tower rises to occasion with cone topper

Memorial Hermann Tower — an office building under construction at Interstate 10 and Gessner — has now topped itself.

The building — which will serve as Memorial Hermann Healthcare System’s headquarters, health care facilities and medical office space — is already hard to miss because of its height. It sticks up over the horizon as the tallest building west of the Galleria area.

Now, the structure is reaching new levels. The 27-story building is being topped by an unusual six-story cone-shaped structure that is visible from almost anywhere within the Memorial City area.



COMMERCIAL REAL ESTATE BRIEFS

- A 10,000-square-foot build-to-suit facility is under construction.
- Caribe also is under contract with a 9,900-square-foot warehouse at 8809 Fawn Trail, which has been fully leased to Events Plus.

Stream Realty Partners LP to lease distribution center

Stream Realty Partners LP has secured the leasing and management for the Hardy Distribution Center, located in Central Green Business Park at the intersection of The Hardy Toll Road and Greens Road in north Houston. The project is owned by a joint venture between ING Real Estate and Exel Inc.

The first phase of the project will consist of a single 250,000-square-foot state-of-the-art distribution facility that will deliver in April of 2008.

Kyle Valentine, Stream's co-managing partner in Houston, will work with Justin Robinson on the leasing and Laurie Gajevsky will serve as the day-to-day manager of the project.

Opus West breaks ground on Energy Corridor project

Phoenix-based Opus West Corp. has broken ground on 16.9 acres of land at Interstate 10 and State Highway 6 in Houston's Energy Corridor. The land will be home to the Energy Crossing I & II project, which will consist of two six-story, Class A office buildings. The first phase of the project is scheduled for completion in the fourth quarter of 2008.

Opus West Construction Corp. is building the Energy Crossing I & II buildings, which were designed by Opus Architects & Engineers. C.B. Richard Ellis will lease the space.

Each building will offer approximately 240,000 square feet of space, large floor plates and 4/1,000-square-foot parking ratios.

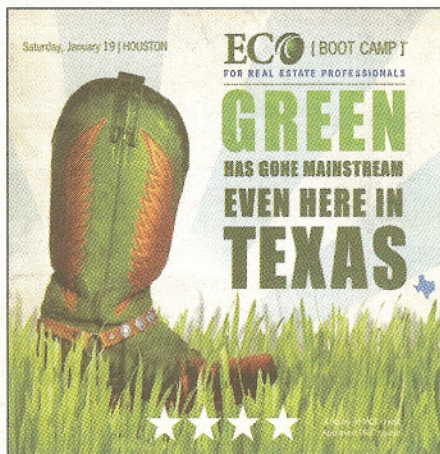
One Park Place adding second penthouse level

A second penthouse level has been added to The Finger Cos.' One Park Place, the first high-rise rental apartment tower to be constructed in over 40 years in downtown Houston. The 36th floor will be configured for four penthouses, in addition to the four on the 37th floor.

Models will be ready for showing by fall of 2008, and it is expected that the 14th structural floor of the building will be completed by the end of the

overview of green topics and show "why and how Texas businesses are 'greening' their products, property, processes and people," Robinson says.

Registration (\$149) is online (www.ecobootcamp.com). "Texas' commercial green building market is projected to grow 15 times



over the next one or two years — from about 40 LEED-certified commercial projects in 2007 to more than 500 in 2008," Robinson says. "And, even with all that commercial growth, the market for healthy, efficient green homes — both new and renovations — may surpass commercial by 2009."

Momentum Bay Associates is also presenting a Green Boot Camp for households 1-5 p.m. Jan. 19 at St. Catherine's Montessori (www.greenbootcamp.com).

Mission of Yahweh opens thrift shop in Spring Branch

The Mission of Yahweh, which provides a safe haven and education for over 700 women and children each year, has opened a 4,500-square-foot Mission Thrift Shop in Spring Branch at 8151 Long Point. The new Mission Thrift Shop features larger items, such as furniture and computer equipment, along with housewares and clothing for men, women and children. The original shop on Algiers, across from the Mission, will remain open.

Studio RED Architects moves offices to Midtown

Studio RED Architects has moved its offices to its recently purchased 1960s building at 1320 McGowen in Midtown, which it renovated to achieve LEED certification. The three-year-old firm, which has been responsible for

40

YEARS

1968-2008

Tribble

Building

1968

Partnership Founded

1988