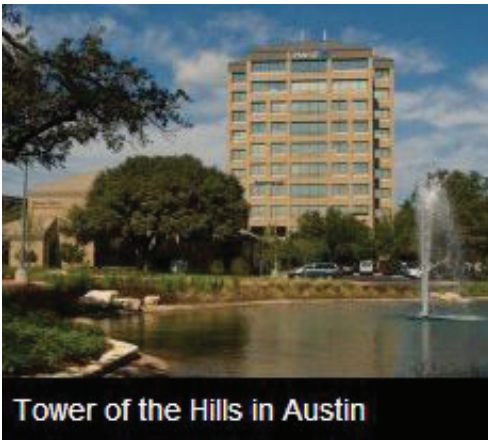




Last Updated: February 7, 2014

## Crimson Sells Austin Office Properties

By Analee Bivins Micheletti | Southwest



Tower of the Hills in Austin

AUSTIN—Demand for office investments in Texas continues to be strong due to healthy job growth across the state and increasing occupancy rates. Houston-based **Crimson Real Estate Fund, L.P. (CREF)** and investment partners, **Admiral Capital Group** and **USAA Real Estate Company** announced the sale of three office properties in northwest Austin, Texas.

**Fortis Property Group** of New York purchased the buildings for an undisclosed price. The Austin portfolio includes 205,000-square-foot Aspen Lake, 174,448-square-foot Tower of the Hills and 178,000-square-foot Tower Point located at the intersection of U.S. Highway 183 and State Highway 45.

The Northwest submarket in Austin has seen a steep increase in leasing activity attracting investors to the area.

“The sales prices for most Texas office towers will continue to increase in 2014,” says commercial appraiser **Matthew Deal**, principal, **Deal Sikes & Associates**, a Houston-based valuation and consulting firm. “As office leases become available for renewal, tenants are signing new leases with major increases in rents. Those higher rents lift the values of office assets.”

At the end of the year, the Austin market had an occupancy rate of 87.9%, compared to 85.8% at the end of 2012, according to **CBRE**. The Northwest submarket has an even higher occupancy rate of 89.6%. Average rents in Austin saw an increase of over \$2.00 per square foot, reaching historical highs.

Crimson Real Estate Fund was represented by **Andrew Levy** and **Todd Savage** of **HFF**.

Admiral Capital Group has partnered with USAA Real Estate Company to pursue commercial real estate opportunities nationally.

Admiral, which has offices in San Antonio, is led by **David Robinson**, who spent 14 years in the NBA with the San Antonio Spurs, winning the league MVP award and two NBA championships.