



KATY TRAIL PLACE

3535 TRAVIS STREET

A CASE STUDY IN PROPERTY LEASING

the challenge

Katy Trail Place is a three-story office building located in the heart of Uptown, Dallas' premier retail and office submarket. The building is located adjacent to the Katy Trail, minutes from major highways and situated with convenient access to dozens of restaurants, shops and residential neighborhoods.

Although when ownership acquired the building in 2007 it was 85% leased, the property was set to experience significant turnover in subsequent years with 60% of the building's rent roll expiring in 2010 and an additional 25% expiring in 2011, establishing a significant leasing challenge in the heart of 2010's financial crisis.

the strategy

PegasusAblon joined the asset team in 2010, just as the rent roll was beginning to expire and the financial crisis was in full swing. In order to lease the compounding vacancy in the first two years of ownership while mitigating the risk for future exposure, we launched a two-fold strategy which consisted of a series of highly visible building improvements and a rebranding plan which would focus the building's marketing efforts on its unique and highly desirable location adjacent to the Katy Trail in the heart of Uptown. Repositioning efforts have included changing the building's name from 3535 Travis to Katy Trail Place, developing a new website and installing new monument signs.

Building improvements have included a renovated parking garage and lobby, improved on-site food options with a self-service deli and vending room and the addition of locker rooms and showers in the building's restroom to allow tenants to run/walk/bike to work on the Katy Trail.

the results

Despite the financial crisis of 2010 PegasusAblon was able to minimize the results of past leasing missteps and, within three years, gain enough leasing traction to not only re-sign key tenants (who were being aggressively courted by competitors) at market rates, but also stabilize building occupancy near 100% while adding value during a time of financial uncertainty.