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Mountain West Earmarks \$150M for North Texas

By [Connie Gore](#)

CARROLLTON, TX-Denver-based Mountain West Industrial Properties, mining Houston for several years, has turned its capital to Dallas/Fort Worth. The investment group expects to spend \$50 million before this year ends and \$100 million in 2009.

For its first purchase in Dallas/Fort Worth, the investment group has picked up the 52,613-sf Hutton Court Commerce Center at 1920 Hutton Court in Valwood Industrial Park. Mountain West, a player on the value-add circuit, is starting with 58% occupancy, with three tenants and no lease roll for at least one year, according to TJ Tarbell, acquisitions director for Mountain West.

Tarbell tells GlobeSt.com that there are "three or four" more acquisitions in the pipeline for this year, with the next closing coming in two months. He plans to buy at least five properties in 2009. "We committed to starting acquisitions in Dallas late last year," he says, "and we had pursued other opportunities in Valwood. We're looking for quality assets with some sort of value add or upside potential to them." Mountain West's deal size is \$5 million or higher.

Tarbell says all submarkets are fair game although Valwood had the buyer's eye for the first acquisition. Built in 2001 on 3.7 acres, Hutton Court's location and functional design were key to the decision, but Tarbell says the 42% occupancy hit the value-add sweet spot.

The building was marketed for a Dallas partnership by Larry Leon and Steve Berger, first vice president and vice president, respectively, for CB Richard Ellis in Dallas. Berger and CBRE vice president David Easterling will lease the Hutton Court building, which is getting ready-to-go spaces of 13,026 sf and 8,942 sf for the hard push to find and sign tenants.

Mountain West has accrued two million sf in Houston since 2003. "This is just a natural progression for us. In general, it's a good time to buy in Dallas," Tarbell says. But, he stresses the new focus isn't sidelining Houston, Phoenix or Denver. "We are committed to expanding our portfolio," he says, "and continuing to grow our holdings in our other core markets."