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**For Immediate Release**

## **Rockstreet Partners and Direct Development Form Partnership to Purchase Retail Power Center Baytown Marketplace**

**Dallas, Texas** – Rockstreet Partners, a real estate private equity firm, and Direct Development, a vertically integrated retail-focused commercial real estate company, today announced the formation of a joint venture partnership to own and manage Baytown Marketplace, a newly-constructed retail power center on Garth Road in Baytown, Texas, a suburb of Houston. Rockstreet made its investment on behalf of a partnership managed by the firm.

“This is a unique opportunity to acquire a highly-desirable retail project with a strong, Texas-based operating partner,” commented Rockstreet’s John Turner. “The regional growth, and vibrant trade area in which the property is located, underline our enthusiasm for this venture. We look forward to working closely with Direct Development, serving the area households, and being good stewards of Baytown Marketplace.”



**FIGURE 1. SHADOW ANCHORED KROGER AT BAYTOWN MARKETPLACE**

Baytown Marketplace is a 100% occupied 191,823-square foot retail power center anchored by a Kroger Marketplace, Marshall’s, PetSmart and Ulta. Because the 123,000-square foot Kroger Marketplace is directly owned by the grocer, the Rockstreet-Direct Development joint venture acquired the remaining 68,823 square feet directly from the original developer. The joint venture’s portion of Baytown Marketplace is anchored by the in-line building containing Marshall’s, PetSmart, Ulta, Nails of America and a UPS Store. Tenants in two outparcel buildings include Mattress Firm, Kay Jewelers, T-Mobil and GNC. Approximately 88% of the gross leasable area acquired by the joint venture is leased through 2025.

In recent years, the trade corridor along Baytown's Garth Road has seen exceptional growth. The diverse tenancy at the several recently developed properties in the corridor is a curated mix of restaurants, grocers, regional retailers and large national retailers, including Academy, Best Buy, Target and Tractor Supply. In addition, directly adjacent to Baytown Marketplace is the 1.2 million-square foot San Jacinto Mall, which was recently acquired by Fidelis Realty Partners with plans to completely redevelop the mall into a 1 million-square-foot open-air center. The initial demolition phase of that redevelopment began last August.

The Baytown area is also experiencing an economic renaissance of late as the area's refining and petrochemical operations undergo substantial expansions. There are roughly \$30 billion in petrochemical plant expansion projects underway that are scheduled for completion in 2017. Operators of Baytown's petrochemical facilities, including Chevron-Phillips, ExxonMobil and Bayer, are all adding capacity. These positive developments in the "downstream" energy sector is beginning to have an impact on the Baytown area itself.

The deal was brokered by Chris Cozby of CBRE.

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#### **About Rockstreet Partners LLC**

Rockstreet is a middle-market focused real estate firm that strives to create value for investors, the real estate operators with whom it invests, and society at large. This firm's investment focus is on buying, enhancing and creating income streams through joint venture real estate acquisition, repositioning and new development investments.

For more information, please visit [www.rockstreetpartners.com](http://www.rockstreetpartners.com).

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