

Friday, February 20, 2009

Calif. firm wants to buy Austin buildings

AMC could spend up to \$50M in 2009 on commercial RE

Austin Business Journal - by [Kate Harrington](#) ABJ Staff

A California real estate investment company is eyeing Austin as part of its planned growth in 2009.

Asset Management Consultants Inc. plans to expand its portfolio by acquiring more than \$150 million in commercial real estate investments in 2009, and its executives say the company will acquire about \$30 million to \$50 million worth of property in Austin as part of that expansion.

Jim Hopper, president and CEO of the Mission Hills-based company, said it owns five properties in Austin and San Antonio, with a sixth under contract in San Antonio that's expected to close soon. The company wants to keep Austin in its scope as it looks to expand its investment acquisitions because of the local economy's strength.

"We like the demographics and the fact that there's positive job growth, and the values of the homes are not going down as rapidly as they are" in California, Hopper said. "We like [Austin and San Antonio] for their stability better than Houston or Dallas, which tend to have more dramatic highs and lows."

In Austin, AMC is targeting all property types except retail and land, he said. Its current Austin properties include a 50,000-square-foot multitenant office property on Research Boulevard, a 28,000-square-foot medical office building on North MoPac Expressway and a 130,000-square-foot food manufacturing building in North Austin.

AMC is also looking for investment opportunities in Los Angeles, San Diego and San Antonio. The company owns and manages about 3 million square feet of investment real estate nationwide.

The company has hired Ryan Smith as director of capital markets and Ken O'Brien as director of investor relations to help expand the firm's growing Texas portfolio.

AMC has a fair number of midsize multitenant properties in its portfolio, said David Blackbird, a co-managing partner with Stream Realty Partners. Stream Realty has represented AMC in some

of its Austin property management and leasing. Targeting multitenant properties limits AMC's exposure and risk, Blackbird said.

"I think it's significant given everybody's worry in the market, and it says a lot that AMC is coming in and closing on these assets and are confident in our marketplace," Blackbird said of AMC's plans to acquire more investment properties in Austin. "I think from an outsider's perspective, Texas is a relatively safe place to invest given the state of the national economy."

Rhonda Toming, a senior vice president with Oxford Commercial, said given the size and relative stability of Austin's market, it's not unusual to see an out-of-state investor want to acquire investment property in the dollar range AMC has named.

"It's been a consistent trend over the last three to five years," she said, although she added that even in Austin transaction activity is down.

Asset Management Consultants

Headquarters: Mission Hills, Calif.

What it does: Real estate investment

Year founded: 1988

Track record: About \$1 billion of property acquisition and loan transactions

Web site: www.amcinvestments.com

Courtesy of JB Goodwin