

# Hines breaks ground on downtown Houston's tallest apartment building

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MUNOZ + ALBIN

An exterior rendering of The Preston from Market Square Park. Hines broke ground April 4.

Houston-based Hines announced April 4 it broke ground on the towering 46-story apartment high-rise known as The Preston downtown.

The luxury apartments will be where the old Houston Chronicle parking garage was, at the corner of Preston and Milam, and about a block from the newspaper's old headquarters, where Hines and Ivanhoe Cambridge are developing the 47-story Texas Tower.

The site is located within an Opportunity Zone. The greater Houston area counts 148 zones, with 105 in Harris County alone.

Hines is developing The Preston with the Cresset-Diversified QOZ Fund, a fund started by Cresset Partners and Diversified Real Estate Capital in 2018 to invest in qualified Opportunity Zones around the country.

The Opportunity Zone Act, part of the 2017 tax changes, lets property investors create "Qualified Opportunity Zone Funds" that can be used to reinvest proceeds from the sale of long-held properties back into Opportunity Zones. Landlords are eligible for tax breaks if they reinvest at least 90 percent of the gains from those sales back into the federally approved Opportunity Zones, according to a report by the American City Business Journals, the Houston Business Journal's parent company. New rules related to Opportunity Zone investments haven't yet been released.

Unlike prior community-investment programs, the new law doesn't require property investors to meet specific job-creation or affordability mandates.

The Preston will be Hines' most impressive residential community to date, [Kevin Batchelor](#), senior managing director, said in a statement. The 373-unit project will also be the tallest apartment building downtown, the statement read.

Retail and restaurant space will take up about 6,800 square feet of The Preston's ground floor. The project should be complete by the third quarter of 2022.

**The Preston's amenities include:**

- Event space, catering kitchen and an outdoor patio
- 24-hour concierge
- Valet service
- Electric vehicle chargers
- Fitness center with on-demand virtual trainer
- 10th-level amenity deck with a zero-edge pool, shaded cabanas and daybeds, yoga lawn, covered terraces and an outdoor kitchen pavilion with gas grills
- Multiple social lounges with complimentary beverage and coffee bars
- Guest suites
- Wine tasting room
- Pet spa
- Bike shop and storage facility
- Resident coworking and conference spaces

The project team includes Munoz + Albin, design architect; Mayfield and Ragni Studio (MaRS), interior architect; TBG, landscape architect; and Harvey Builders, general contractor. All are either based in or have an office in Houston.



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