

# The Dallas Morning News

## GALLERIA TO GET GLAM

By **STEVE BROWN**  
*Real Estate Editor*

Galleria Towers is the only office campus in town with 1.7 million square feet of retail and restaurant space. But the appeal of one of Dallas' iconic shopping malls isn't enough for the new owners of the three towers. After spending more than \$300 million to buy the buildings, investor CBRE Global Investors now will pump another \$16 million in upgrades into the towers. "We are going to remodel and lease this bad boy up," said Kenzie Kilgore, part of the marketing team that's charged with putting new energy into the buildings located just north of LBJ Freeway.

Built starting in 1982, the Galleria Towers make up one of the largest office properties outside the central business district. The buildings contain more than 1.4 million square feet — about the same as one of downtown's big skyscrapers. They were originally built by Houston developer Hines.

Right now about a third of the space at Galleria Towers is empty. A big chunk of the offices was left vacant when FedEx Office relocated its headquarters to the new Legacy West development in Plano. Also, some businesses avoided the buildings while the LBJ Freeway expansion was underway. But with LBJ finished and with new owners at the Galleria Towers, it's time to give the buildings a facelift, said CBRE vice president Shannon Brown. "There were some really tired spaces in the buildings," Brown said. "The size of these towers justifies the amount of money we are spending."

Originally designed by award-winning architect HOK, the Galleria Towers are showing their age. Despite some upgrades over the years, the building lobbies and interior spaces are a flashback to the 1980s. Yards of red and pink granite welcome tenants and visitors. "You can't duplicate the amenities you have here at the Galleria," Brown said. "But the buildings need to be updated."

CBRE Global Investors had several architects give renovation proposals before picking Entos Design to craft the redo. Brown said the idea isn't to toss out all of the original stonework and other features. "We had one designer that just wanted to cover it all over with white," she said. "That's not the Galleria."

Some of the original dark stone in the lobbies will be replaced with light wood and white marble. "Our goal is to embrace what's there and not wipe everything out," said Brian Barnes, vice president with Entos Design. "We want to keep the richness of the existing materials. We don't want what we do to look like an add-on or renovation."

Barnes said the center tower will get the most changes with an 8,500-square-foot fitness center and a large conference facility. "The middle tower is going to be the center point — that's where the management office is," he said. The other two buildings will get smaller conference facilities. And each of the buildings will have a tenant lounge or coffee bar and improvements to the common areas and entries from the parking garages.



Rooftop Terrace | *Tivo Galleria*



Wine Bar/Tenant Lounge | *Tivo Galleria*

"This is one of the owner's premier investments in the country and they are treating it as such," Barnes said. A run-down outdoor plaza on top of one of the parking garages will be refurbished for tenants with awnings and landscaping. "The millennial workers want a space where they can be outside during the day," Brown said.

CBRE Global Investors won't try to duplicate what's available in the adjoining shopping mall. "You have more than 40 restaurants in the mall," Brown said. Even after all the improvements are finished later this year, the Galleria Towers plan to offer office space that is priced lower than the newest buildings in Dallas and Plano.

"We are a great value compared to Uptown or Legacy," said CBRE senior vice president Celeste Fowden. The towers will rent for about \$25 per square foot, she said. "The towers had lost their iconic status," Fowden said. "We're elevating them."