

Exclusive: Houston petrochemical boom attracts California multifamily investor

Mar 23, 2016, 8:32am CDT



Paul Takahashi Reporter *Houston Business Journal*

A California-based multifamily investor has acquired a Class A apartment complex in Lake Jackson, where housing demand is growing [amid a petrochemical boom](#).

Drever Capital Management purchased The Villages at Lake Jackson for an undisclosed price. The 174-unit, garden-style apartment community, which is 96 percent occupied, is located off Texas Highway 288 near the Brazos River in Brazoria County.



[Ryan Epstein, the new senior managing director with Berkadia's multifamily team in Houston](#) represented the seller, Spyglass Capital Partners of Demarest, New Jersey. [Tom Cabibi](#), the head of acquisitions for Drever Capital Management, represented the buyer. [Brant Smith](#), senior vice president of Berkadia Commercial Mortgage in Austin, arranged the financing.

Drever Capital Management — based in Tiburon, California, just north of San Francisco — said it was attracted to The Villages at Lake Jackson because of the apartment's location near [major petrochemical plants south of Houston](#).

The [Dow Chemical Co.](#) (NYSE: DOW), based in Michigan, is [building a five-building, 900,000 square-foot research and development complex](#), dubbed the Texas Innovation Center, just north of its massive petrochemical plant in Lake Jackson. Nearby, Freeport LNG is building a \$14 billion facility to export liquefied natural gas to foreign countries. These new petrochemical plants and facilities are expected to attract thousands of new workers to Brazoria County.

Noah Drever, the managing partner of Drever Capital Management, described the acquisition as a “classic supply-demand investment.” The multifamily company beat out 20 competing offers to acquire The Villages at Lake Jackson.

“Houston, overbuilt with multifamily assets, is grappling with a weak oil industry,” Drever said in a statement. “But an hour away, where Lake Jackson is booming with petrochemical manufacturing and a liquefied natural gas shipping hub, attractive rental housing is undersupplied. Being an apartment owner/investor in the epicenter of all this explosive growth is music to our ears.”

Drever Capital Management plans to renovate and modernize the apartments, adding granite countertops, stainless steel appliances, modern cabinets, plank flooring and wood blinds to the interior units. On the outside, the company plans to add new landscaping, exterior paint and an enlarged pool area with two gas grills and resort-style pool furniture. The apartment complex features a cafe bar, pet park, picnic area and pool/fitness center.

Drever Capital Management recently has been purchasing thousands of apartment units across Texas. Noah Drever’s father, **Maxwell Drever**, was once one of the largest apartment landlords in Houston, overseeing 11,000 multifamily units in the Bayou City. In 1997, the elder Drever with Drever Partners sold his entire portfolio of 18,000 units to Walden Residential Properties, a Dallas-based REIT.

Paul Takahashi covers residential and multifamily commercial real estate, as well as education, for the Houston Business Journal. [Follow him on Twitter for more.](#)