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Trademark Starts Work on AVIA, More Retail

By Amy Wolff Sorter

THE WOODLANDS, TX-The state's one-and-only **AVIA hotel** has broken ground in the 560,000-sf Market Street at the Woodlands. When the 70-room hotel comes on line in fall 2009, it will be one of only four in the country.

The AVIA-flagged hotel and abutting 24,000 sf of retail will build out the 34-acre mixed-use project of Trademark Property Co. of Fort Worth. Terry Montesi, Trademark's CEO, says there are no signed tenants as yet for the retail space.

"We bought out our financial partner Kimco a couple of months ago on this," Montesi adds. "This is a long-term hold for us."

The AVIA hotel is being co-developed by LodgeWorks LP of Wichita, KS and Open Hospitality Partners of New York City. Michael Daood, LodgeWorks' vice president, says the Woodlands location at 9595 Six Pines Dr. is an ideal location because it meets the requirements for a seven-day-a-week market with a good mix between commercial and leisure demand. And, he adds, it's an upscale location.

"We're motivated by finding the right sites for AVIA and making sure they're appropriate for the quality of hotel we're trying to build," Daood explains. "We're not on a goal to turn out five a year. We're just trying to ID the appropriate sites and land we can build on." AVIA hotels are operating in Savannah, GA and Napa and Long Beach, CA.

An AVIA hotel typically costs north of $250,000 per key to build, but Daood points out that the Woodlands project is somewhat unique because of size. "Typically we're in the 140 to 160 [room] sweet spot to keep it a boutique. We were limited in the Woodlands to 70 rooms," he says, adding "we liked the site and loved the setting" so the decision was made to proceed.

Law/Kingdon Inc. of Wichita is the project architect and El Paso-based CF Jordan LP's Houston team is the general contractor. LodgeWorks will manage the hotel once it's completed.

Daood tells GlobeSt.com that the Woodlands' AVIA is LodgeWorks' entry into Houston, but he hopes it isn't the last. "We'd love to continue to develop more in Houston," he says.

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