

Selling to the guy next door

Shoreline Terrace bought by group that includes Mike Day, Dusty Durrill

When Harkins & Co. was ready to sell its Shoreline Terrace office building property a few months ago, it didn't have to look far for a buyer.

In fact, someone in its own ranks jumped at the chance to buy the building.

Mike Day, vice president and secretary for Harkins & Co., led a group of investors that included his wife, Melonae, and high-profile businessman Dusty Durrill, in this month's acquisition of the 719 S. Shoreline Blvd. property.

The investment group, which goes by the name 719 Shoreline Ltd., finalized the acquisition Sept. 1.

Matthew Cravey, president of locally based NAI Cravey Real Estate Services, represented the buyer and the seller in the transaction.

Neither party disclosed financial terms of the deal. The Nueces County Appraisal District, however, lists the assessed value of Shoreline Terrace at \$1,052,301.

90% occupied

Day, who has worked for Harkins & Co. since 1971, said the investors were attracted to the quality of the property's tenants.

Some of Shoreline Terrace's largest tenants include law firms headed by Corpus Christi attorneys William J. Chriss and Robert C. Hilliard. Duran Insurance Brokers also are tenants.

Shoreline Terrace, with 31,500 square feet, is more than 90 percent occupied, Day said.

Harkins & Co. is a former petroleum exploration and drilling company out of Alice that left the energy industry in 1990. It continues to pursue real estate.

Harkins & Co. formed a joint venture with The Murray Group, a local land development and investment firm, and Harkins-Smith Properties. But Harkins-Smith later bought the Murray Group's interest to become the sole owner.

The partnership was behind the Shoreline Terrace Motor Hotel renovation from an aging motel into a shiny new office building. The hotel was built in 1947 and closed in 1984.



Paul Iverson/Caller-Times

Matthew Cravey of NAI Cravey Real Estate Services brokered the sale of Shoreline Terrace to a group of local investors. Cravey says it is different from most office buildings in that it isn't a 'big, behemoth, cold' building. 'It has more of a homey feel,' he says.

'A homey feel'

The hotel had five floors, but a sixth was added above those. More space was added to the second through fifth floors by creating new terraces and moving them forward.

Real estate broker Cravey said the building's look gives it a lot of appeal.

The white building, noted for its red roof and tiered design, is casual and airy. Some of the offices have their own private patios. Its tenants have an unobstructed view of the bay. Its atrium also gives it a different atmosphere, Cravey and Day said.

"It's not this big, behemoth, cold office building," Cravey said. "It has more of a homey feel."

Meanwhile, Day's business partner, Durrill, is keeping busy these days with real estate ventures.

'Money left Wall Street'

In August, Durrill Properties announced it had purchased the 101 N. Shoreline Building, a six-story bayfront professional office property, and likely will change the name to end confusion with One Shoreline Plaza.

Durrill Properties bought 101 Shoreline in partnership with John Buckley, a local accountant who will occupy office space in the building.

With the stock market taking a dive, more investors are pouring money into real estate, Cravey said. Companies such as Harkins & Co. are finding it a good time to sell, he said.

"What happened is a lot of money left Wall Street. A lot of people saw their money disappear, and real estate is much more stable," Cravey said. "Interest rates have dropped substantially and money is pouring back into the market."

Day said much would stay the same for Shoreline Terrace tenants. Shelly Gainan, who has managed the property since 1987, will stay on and undertake management at the 101 N. Shoreline building recently purchased by Durrill Properties. Bobby Rios will continue overseeing maintenance and engineering responsibilities at the property and will assist with those duties at Durrill Properties, Day said.

"We intend to preserve the uniqueness, efficiency and enjoyable atmosphere tenants are accustomed to here," Day said.