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STAYING STRONG: Doug Knaus, managing partner of Means Knaus Partners L.P., left, and James Johnson, executive vice president out of Dallas, meet up in Denver at the Park Central building.

Co. moves forward after partner's tragic death

Doug Knaus now sole proprietor of Means Knaus Partners

BY JENNIFER DAWSON | CORRESPONDENT

Real estate developer Doug Knaus has spent the past six months rebuilding his company after his business partner died suddenly in January.

Steven Means, co-founder and CEO of Means Knaus Partners L.P., died while scuba diving in the British Virgin Islands during a vacation he took with his wife to celebrate his 60th birthday. Well known in Dallas real estate circles, the adventurous businessman was an experienced diver and also a jet pilot.

The tragedy ended a 24-year working relationship between the two developers, the last seven of which were spent running Means Knaus. Knaus worked in Houston while his longtime friend acted as CEO in the firm's Dallas office.

"It's been extremely difficult, from a personal standpoint, as well as a business standpoint," says Knaus.

The 65-person firm had to return to work soon after the shocking event because the company was in the process of acquiring an office building in Houston at the time.

Scott Martin, managing director in the Houston office of Granite Properties, says Knaus has held up well through this tough time.

"When you lose somebody like Steve Means, not only is it a tragedy but it's a hard blow to an organization," says Martin, who has worked with Knaus for many years.

Succession plan

Means Knaus had a succession plan in place in the event that one of the owners in the 50-50 partnership died. The men had agreed that the surviving partner would purchase the other's interest to gain full ownership of the company.

While Knaus is left as sole owner, he has decided to retain the Means Knaus name for now.

"There is tremendous goodwill in the name of the company," Knaus says.

Moving forward, Knaus has hired seasoned veteran Peyton Collins as managing director of Texas operations. Collins

most recently was with McCord Development Inc./Navisys Group. Prior to that he had worked with Knaus at the Paragon Group, which was acquired by Insignia Financial Group.

Collins will spend much of his time in Houston overseeing the remaining development of about 20 acres in Oak Park at Westchase and finding a build-to-suit prospect for a 5-acre tract in the Enclave development in west Houston.

Things are also moving forward in Dallas, where Means Knaus recently added to its North Texas holdings by acquiring Ten Thousand North Central Expressway, a 283,000-square-foot office building originally developed by Means 18 years ago. The company paid about \$100 per square foot for the property, or close to \$28 million.

The deal was brokered by Gary Carr and Russell Ingram with CB Richard Ellis Inc. Means Knaus will manage the property; Peloton Real Estate has been tapped to handle leasing.

Means Knaus chief operating officer and executive vice president, Jim Johnson, now heads up the Dallas office.

Means and Knaus first met in 1981 at Paragon where they worked together until 1996. Means left that year to launch Means Interests, the predecessor company to Means Knaus Partners, which was formed in 1998.

Together the partners developed several notable projects in North Texas, including Colinas Crossing in Farmers Branch, now home to Hagggar Corp. and i2 Technologies, and a corporate headquarters for Careington International, in Lakeside at Frisco Bridges, a 65-acre corporate campus developed by Means Knaus in Frisco.

The company has grown into a commercial real estate investment and service firm that conducts development, acquisition, leasing and management throughout the Southwest United States. Its portfolio includes 4.5 million square feet of properties which it either owns or manages for other large investors.

The firm's primary markets have been Houston, Dallas and Denver, but Knaus is now looking at expanding into Arizona and California.

Staff Writer Christine Perez contributed to this story.