North Carolina investor now one of biggest owners in Dallas' Deep Ellum district

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Asana Partners is acquiring more than three dozen buildings and parking lots in Deep Ellum from investor 42 Deep Ellum LP.

Starting in 2012, 42 Deep Ellum acquired a portfolio of more than 50 properties in the area just east of downtown.

Since then, the Dallas partnership has remodeled and upgraded buildings and signed new leases with retail and restaurant tenants.

Investor 42 Deep Ellum sold the buildings and parking lots that it began buying five years ago.

(Steve Brown)

42 Deep Ellum founder Scott Rohrman — who was instrumental in making the once grungy neighborhood a street art paradise — said he will continue to own a significant number of Deep Ellum properties.

But selling the majority of his holdings to Asana will enable the redevelopment of the area to continue with new capital.

"We have been working with Asana for several months, during which time Asana has demonstrated a sensitivity to Deep Ellum that matches what we have endeavored to implement in the years we have been working with the community," Rohrman said. "It is clear Asana shares our vision. They have the expertise and experience to make Deep Ellum better."

Based in Charlotte, Asana specializes in the acquisition, redevelopment and marketing of retail properties in urban locations.

The 2-year-old company has a $500 million investment fund to make strategic purchases.

"These guys are the only ones solely focused on urban retail," Rohrman said.

Asana has properties or is looking for deals in Raleigh-Durham, N.C.; Atlanta; Nashville; Washington, D.C.; and Austin.

The Deep Ellum properties that Asana purchased have some of the district's most recognized tenants, including Pecan Lodge, BrainDead Brewing, High & Tight and Dot's Hop House & Cocktail Courtyard.

Rohrman said the investment by Asana will enable more upgrades, including common area improvements, upgrades to parking lots and sidewalks, increased lighting and courtesy officers, and an enhanced merchandising mix.

42 Deep Ellum will continue to consult with Asana on the projects, he said.

"We will stay active in Deep Ellum with Asana, the Deep Ellum Foundation, and our wonderful friends and neighbors," Rohrman said. "We are still committed to the neighborhood."

42 Deep Ellum was one of the first firms that was not already a player in Deep Ellum to begin making sizable investments in the area.

Since then, other developers and investors have taken interest in the popular entertainment and restaurant district. Large numbers of buildings in Deep Ellum are awaiting remodeling.

"Not even our investors thought five years was enough time," Rohrman.

42 Deep Ellum worked with Dallas-based Holliday Fenoglio Fowler LP to find a buyer for the properties it sold. Terms of the sale were not disclosed.

Rohrman said the company looked at several options before starting negotiations several months ago with Asana.

Asana has bought and redeveloped multiple properties in Charlotte's South End neighborhood.

And in Nashville, the company earlier this year acquired the Edgehill Village neighborhood retail development near Music Row.

In March, Asana purchased Atlanta's landmark Plaza Theatre and the adjoining retail strip for $18 million.

Asana was formed in 2015 by former executives of South Carolina-based shopping center company EDENS, one of the country's largest operators and developers of retail projects.

Originally a commercial and industrial district on the edge of downtown, Deep Ellum has gone through several revitalizations, starting in the 1980s.

The area along Elm, Main, Commerce and Canton streets is attracting new retail, restaurant and apartment development because of its location near the central business district, the booming Baylor Scott & White medical complex and East Dallas.

Charlotte-based Asana Partners has purchased more than three dozen Deep Ellum properties, including the building that houses the popular Pecan Lodge restaurant.