

# Hines

How Hines uses essensys technology and software to drive the success of their flexible workspace platform, The Square

Hines partnered with essensys at two key developments in downtown Houston, 717 Texas and Texas Tower, to help achieve rent premiums and reduce tenants' total cost of occupancy. Hear from Annie Draper, Director, Hines Workplace Services, about how working with essensys is helping their flexible workspace platform, The Square, succeed.



**Annie Draper**  
**Director**  
Hines Workplace Services

"Usually there's this push and pull between the CFO and the building owner – the owner's always trying to get more and the CFO wants better costs – so it's the first time that everybody's got a win-win scenario"



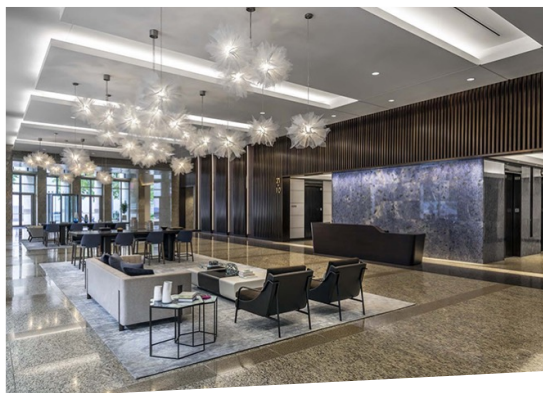
# Background

**717 Texas** is a 33 storey Class A office tower in the theatre district of Houston. The building was developed by Hines and designed by HOK, and was completed in 2003.

In 2020, Hines completed a modernisation of the tower so that it would fit in with their ethos of delivering best-in-class, high calibre buildings. Repositioning was an effective way for Hines to add more amenity space to the building and bring it up to what the expectations are of tenants today – something that's evolved a lot since 2003 when the tower was built.

"How can we create something that's much more meaningful in the building? In 2003 tenants would sign 10 year terms, 12 year terms.

If you think about what we expected from buildings in 2003, then fast forward 15+ years later, buildings are fundamentally different. They're being built with a lot of these amenities built-in, and the expectations that tenants have are much different. It's become the amenities arms race.



To retain a tenant, you amenitize the building and bring it up to what the expectations are in today's new built environment.

When this building started to be repositioned, we had a floor that was given back to the building that had this great outdoor patio that had never really been used. We thought instead of just building out a conference centre or a lounge space for tenants, let's actually think about this whole floor as a lounge space and conference facility, and also add on a coworking element. That way, we can effectively monetise the floor and take the outdoor terrace and make it beautiful for member benefit. So, that's really where our first The Square location was born."

**Texas Tower** is the newest office tower to be built in downtown Houston. It's a 47 storey, 1 million square foot tower, developed by Hines and Ivanhoe Cambridge, and designed by renowned architects Pelli Clarke & Partners.

"It's a really unique building, and it's fully amenitized with all the bells and whistles."

The architecture and design at Texas Tower is truly unique, with phenomenal lounges and lobby areas, and a state-of-the-art gym.

Whilst the design is incredible, it left Hines with a horseshoe-shaped mezzanine space that needed a solution.

The Square has been a hit at Texas Tower, receiving high utilisation rates from tenants in the building, confirming Hines' hypothesis that more flexible space with better amenities would act as a leasing tool.

"It's a unique space that you normally wouldn't be able to lease out to a traditional tenant. So instead, we rethought it. And that's where we put The Square. Now, we're able to utilize and monetize this space that would otherwise likely be unused."



# The challenge

When deciding to launch and deliver their flexible workspace proposition, The Square, Hines needed a technology and software partner that could help them realise their ambitions. They needed to cater to the requirements of their tenants – everything from small and medium size businesses to large enterprises – and needed an efficient way to run their flexible operation.

This included:



## Streamlined operations

Hines needed a solution that helped them remove the complex operational and technical demands of running a flexible workspace.

“Our Community Managers don’t have technical experience, but still need to be able to deliver a great service.”



## Enterprise-grade security

In order to meet the needs of tenants, providing secure networks was a key requirement.

“Security is the biggest factor, for a lot of our tenants, such as energy companies and law firms that have very strict requirements around security and protocol.”



## Control & speed

To deliver a seamless experience, The Square staff had to have full control to be able to deliver digital services at speed.

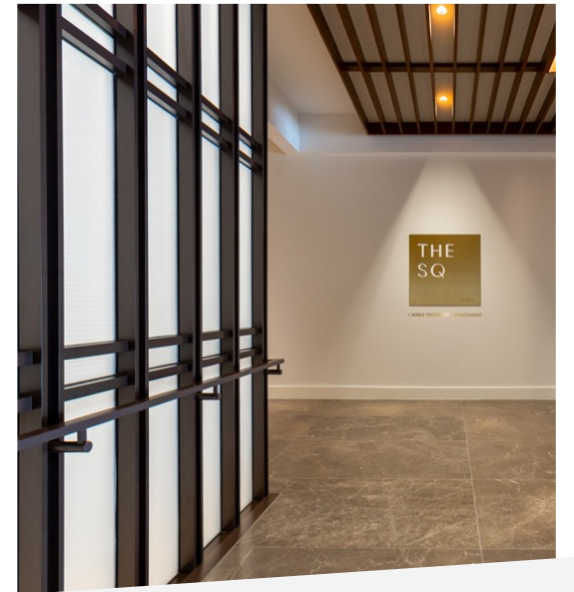
“We needed our Community Managers to have the resources to provision these services and facilitate tenants’ move-in, the WiFi connection, and so on.”



Hines chose essensys as a key partner for both 717 Texas and Texas Tower. essensys technology and software powers The Square in both of these locations.

Hines have been able to launch and run The Square efficiently and smoothly, with essensys helping to remove the complexity that can come with operating a flexible workspace.

The Square is equipped with the technology to meet the digital requirements of even the most demanding tenants.



# The result

essensys technology and software has enabled Hines to run their flexible workspace platform smoothly and efficiently.

The essensys software is easy to use and enables The Square to operate self-sufficiently. Hines' IT team doesn't need to deal with the frequent, complex back-end technical changes that arise as a result of running a flexible workspace – this is all automated with essensys.

Community Managers and Property Managers at The Square are able to work with members to deliver and provision their digital requirements on-demand and in real-time, without any technical knowledge. They can provision digital resources, such as secure WiFi or bandwidth, to occupiers quickly and easily – and don't need to wait for a team of engineers to configure moves, adds and changes.

"The provisioning is just really easy for our teams to use."

Another big benefit for Hines is the fact that essensys technology provides a simple, streamlined approach to operations and networks.

"The biggest win is the fact that essensys' technology ties together some of our front-end operations, like space booking and reservations, with connectivity. We could use one company for 'this' and then another company for 'this' but then there's always a disconnect. We now have a streamlined approach when a company moves in, and then the integration with our other technology makes everything run smoothly."

"The biggest value really was tying those two parts of the solution together – connectivity and operations."



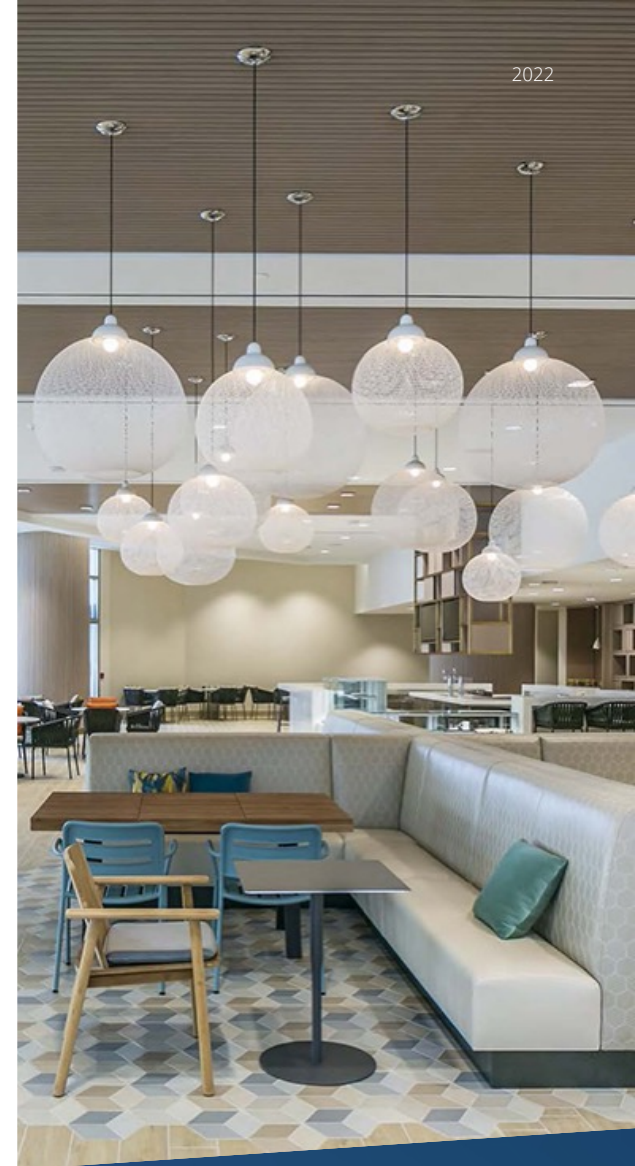
Members of The Square get a great connected experience that's reliable, fast and secure.

Members can roam between 717 Texas and Texas Tower without having to log in to the WiFi again, thanks to essensys' global private network. This provides a seamless experience for The Square members who want to utilize the facilities of both locations.

"A big piece of the puzzle is allowing our different customers to use more spaces, more locations."

"In a normal situation you have Building A and Building B that are siloed and don't touch each other and you can't use them. But we can create a network effect."

"The reality is we can think about opening those beautiful spaces we've created so that if you're in a Hines building in New York City, you can travel to Houston, Texas or even Melbourne, Australia and have access to this great, high-quality product. That takes a different type of technology – on the backend having all the operating pieces under one platform. Then on the front end, I can go to any of these buildings and instantly connect to the internet, that would be a huge benefit that we can talk to our tenants about."



# The result



Every member receives secure, resilient WiFi, delivered through their own dedicated private network – no more shared passwords. The WiFi network in each location is designed specifically for those spaces, built to provide maximum throughput and capacity.

The essensys global private network is constantly monitored, meaning any degradation in performance or potential security issues are spotted instantly. Even better – this is all automated, meaning it's always on, acts fast and removes human error.

Hines has been able to achieve a rent premium of up to 2.5x with The Square.

Hines sees essensys as adding real business value to their flexible workspace offering. Since opening The Square and working with essensys, Hines has been able to achieve a rent premium of up to 2.5x on their flex product. At the same time, they're able to help reduce the cost of occupancy for their tenants who utilize The Square as 'overflow' space. Companies can reduce their real estate footprint in line with the increase in hybrid work and use the flex space as and when required during higher footfall periods.

"Even though you're in the best tower in downtown Houston with best-in-class amenities and stunning views, your total cost of occupancy can actually be reduced."

This is, in part, down to being able to offer such a seamless experience to occupiers. The space is move-in ready, with members being set up with secure connectivity from day one. It's easier to attract tenants who want to utilize flex as part of their real estate strategy.

"Wherever there's The Square, we're going to use essensys. That's a no brainer."

