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Commercial Real Estate

Chinese construction material manufacturer expands to US with \$500M Prairie View complex



Rendering of one of the buildings of OHY's 46-acre manufacturing complex in Prairie View POWERS BROWN



By Florian Martin – Reporter, Houston Business Journal Aug 9, 2024



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A large Chinese construction materials manufacturer is expanding to the United States with a planned \$500 million industrial complex in Prairie View, northwest of Houston.

OYH Construction Materials, a new affiliate of Beijing-based Oriental Yuhong Waterproof Technology Co. Ltd., on Aug. 9 celebrated the groundbreaking of a manufacturing complex on 46 acres across Business U.S. Highway 290 from Prairie View City Hall.

When completed, the complex at 44291 Old Houston Highway could include six buildings, the company said. The first phase includes two factories and a research and development center, with at least two additional manufacturing buildings planned for the second phase.

While groundwork is now underway, vertical construction will start once all permits from the city and county are secured, said Lei Liu, CEO of DF Rainbow, a holding company that owns OYH.

He hopes to be able to start construction on the first building, a 73,500-square-foot factory, by early next year and to finish the first phase by the end of 2025.

"We already signed a contract with all the architecture companies, land planning companies (and) civil engineers," Liu said. "Everything has happened

simultaneously, and hopefully we'll save some time and really (have) the Phase 1 manufacturer ... start operation by the end of next year."





Lei Liu, CEO of DF Rainbow, a North American holding company by Beijing-based Oriental Yuhong Waterproof Technology Co. Ltd., speaks at the groundbreaking ceremony for the company's first U.S.-based manufacturing facilities.

OYH CONSTRUCTION

Oriental Yuhong is the "largest waterproof construction materials company in Asia," according to Liu. It has had a research and development presence in Pennsylvania since 2015.

The Prairie View location will be the company's first manufacturing facility in the United States.

The company purchased the parcel from a local landowner in May after looking at properties around the Houston area, Liu said.

"Houston is important to us," he said, noting the chemical industry's strong local presence, including nearby partners, customers, suppliers and availability of feedstocks and raw materials.

"And if you think about hiring (and) recruiting purposes, (the area) has a lot of qualified and skilled workers here," he added.

The plan is to hire 100 positions for the first phase and another 250 for the second.

OYH officials liked the Prairie View area for its flat and affordable land, plus the manufacturing company has no need to be close to residential development, Liu said. The property is just under 50 miles from downtown Houston.

"Until now, there has not been a lot of new businesses coming to our city," Prairie View Mayor Ronald Leverett said. "Students at Prairie View A&M University have had to drive several miles away to get a job, and this new construction materials industrial park can help students transition to a job right out of university and draw younger people to the city. I'm excited to see the transition."

In the past few years, industrial development has been creeping up U.S. Highway 290 outside the Grand Parkway, with several projects underway or completed in and around Waller, including the 500,840-square-foot Great 290 Distribution Center, which Houston-based developer Pagewood recently sold to Sealy & Co. In Prairie View, just 2 miles from OHY's property, a joint venture of Houston-based real estate investment firms Parkside Capital and Vigavi has purchased 178 acres to develop a 2.5 million-square-foot logistics park.

OHY's planned complex will likely not be its last facility in the region.