



REVEQUITY GROUP

502
IRVING
RD.

Presented By:

Baleigh Yancy Courtney Wall Chris Semper
Elijah Schmit Tyler Skinner

THE TEAM



Courtney Wall
MLPD



Chris Semper
MLPD



Baleigh Yancy
MLPD



Tyler Skinner
MLPD



Elijah Schmit
MLPD

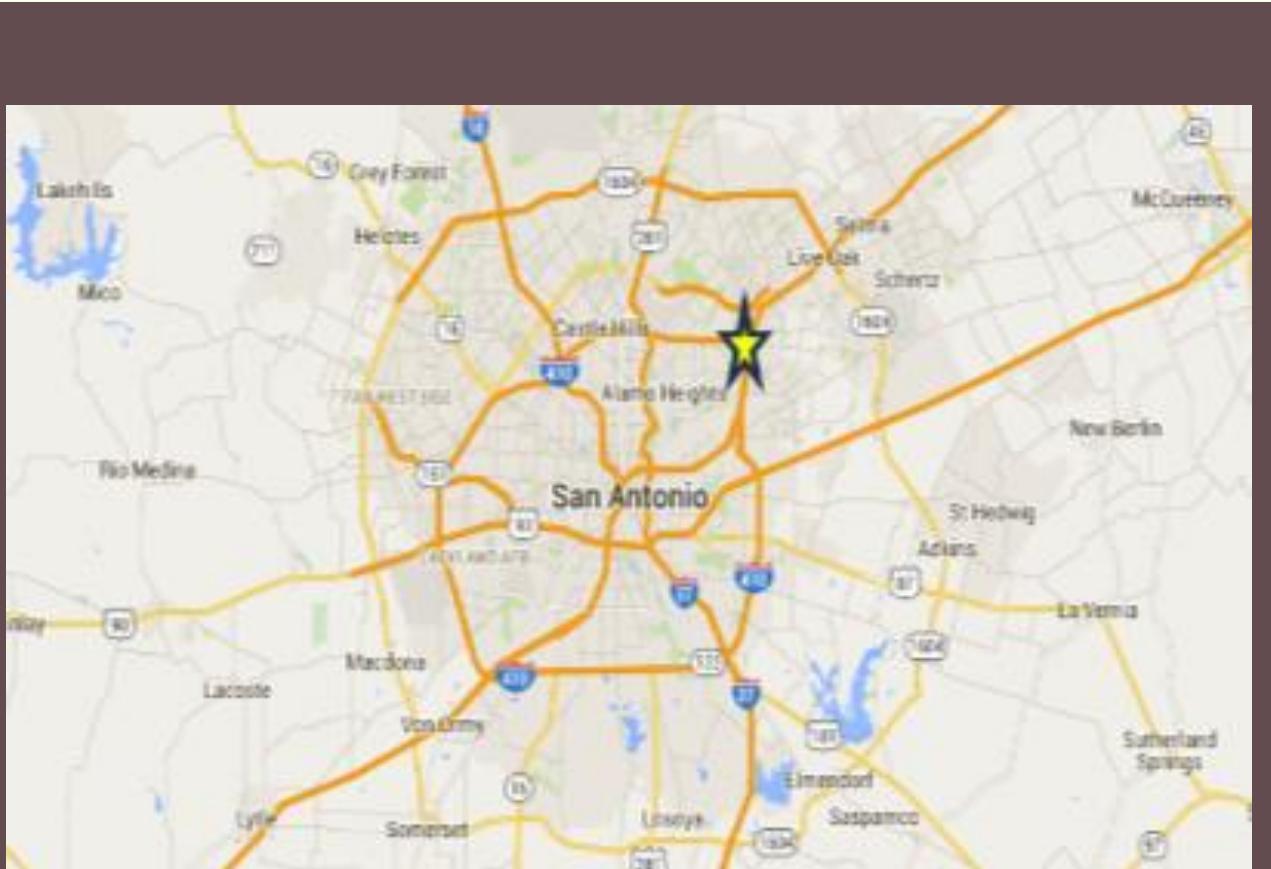




EXECUTIVE SUMMARY

592 Ira Lee Rd is a proposed affordable residential development located in San Antonio, Texas. The site consists of 3.056 acres of land in the northeast part of the city. This multifamily development will consist of three garden-style buildings totaling 100 units. The units available will be a mix of one-, two-, and three-bedroom units. There have been analyses performed, such as a Property Productivity Analysis, Supply & Demand Analyses, a Market Condition Analysis, and a Subject Marketability Analysis. These analyses were performed on the proposed development in order to make recommendations on various related items such as product type, product size, location, various aspects of the market, rental rates, and other related items.

PRODUCT & LOCATION DESCRIPTION



- Project Overview and Location
 - 3.056 Acres
 - Located on the burgeoning northeast side of San Antonio, TX.
 - Roughly 2.4 miles to the airport and 5.4 miles to downtown.
 - In an excellent neighborhood near prestigious Oakwell farms and Robert Tobin Park.
 - Highly ranked school system with Krueger Middle School less than a mile away.
 - Zoned MF-33, which will allow for 33 units per acre of density allowing for 100 total units on the site.
 - Utilities include public sewer, water, cable, and electricity.

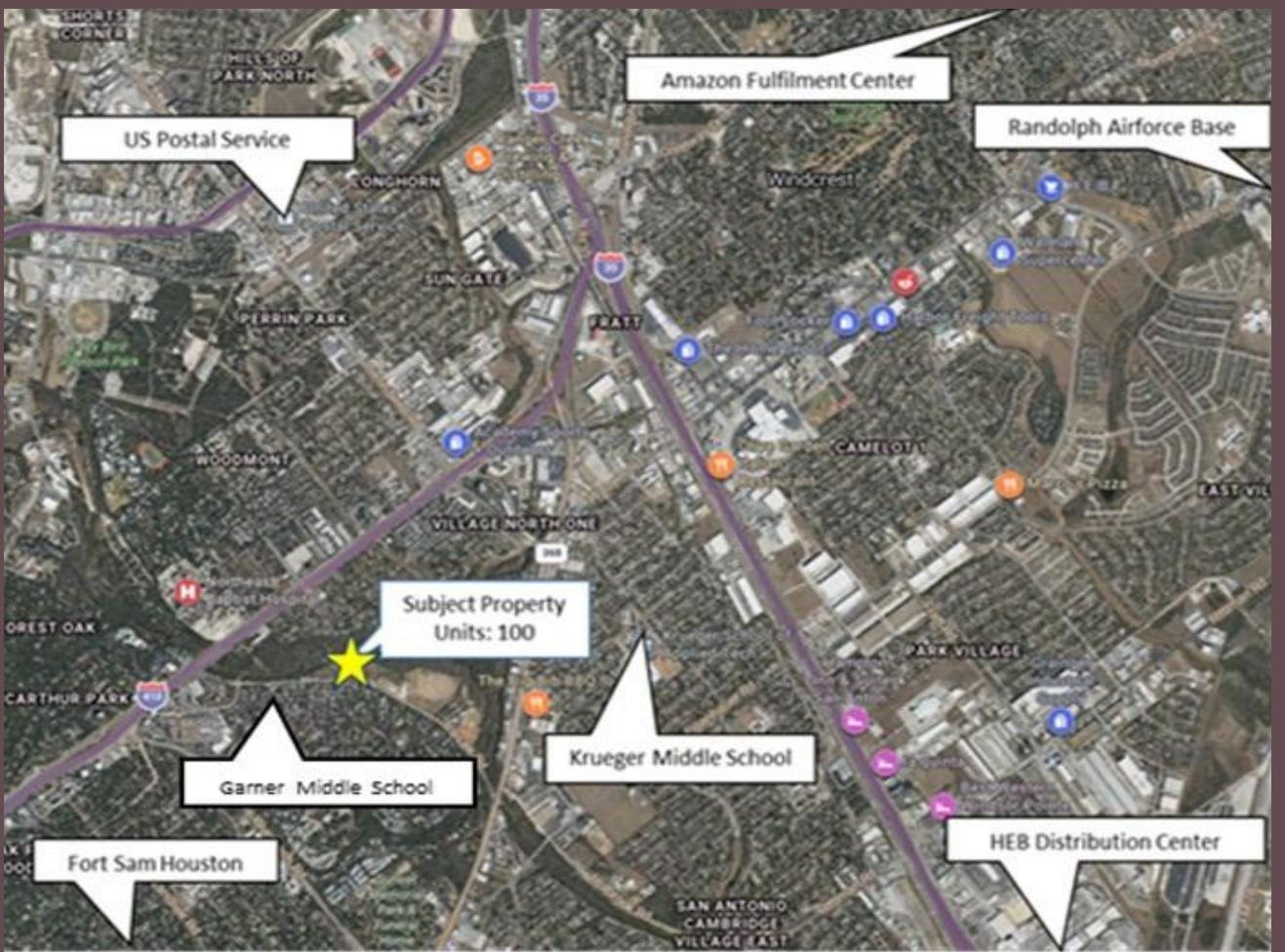
HOUSING PRODUCT TYPE

- Housing Product Type
 - A three-building, consisting of 100 total units, garden-style multifamily development.
 - Unit mix will be roughly 15% 3 BR, 65% 2 BR, and 20% 1 BR.
 - Amenities will include a pool, a fitness center, a clubhouse, and a dog park.
 - As a part of the PFC tax abatement program in San Antonio:
 - 60% of the units will have rent caps subject to 80% of the area median income.
 - 10% of the units will have rent caps subject to 60% of the area median income.
 - A 100% tax abatement will exist throughout ownership of the property.
 - Sustainable building practices will be adhered to for this development to include LEED certification.



PROPERTY PRODUCTIVITY ANALYSIS

Locational Attributes



- Accessibility
 - Located on the burgeoning northeast side of San Antonio, TX inside NE Interstate 410 Loop.
 - Site sits directly west of I-35 and Austin Highway (368).
 - Only 2.4 miles to the airport and 5.4 miles to downtown San Antonio.
 - Ingress will be located off Ira Lee Rd. which connects 410 and Austin Highway.
 - Egress will be on the east side of the property on a road connecting Ira Lee Rd. to the Salado Creek to the North.
- Jobs and School System
 - Major employers in the submarket include the International Airport, Amazon & HEB Fulfillment Centers, USPS, USAA, Fort Sam Houston and Randolph Airforce Base.
 - Excellent school system with Garner Middle School less than 1 mile from the subject site.
 - There is convenient access to grocery stores and essentials.
- Urban Growth Pattern
 - NE San Antonio continues to see robust growth being close to I-35, a primary transportation route towards Austin.
 - With the migration from California and New York continue to increase the need for housing and the city projecting a 34% increase in population by 2030, there is a need for 28,000 additional rental units.
 - Basic job growth continues to expand creating the need for many additional service jobs, highlighting the need for affordable housing.

PROPERTY PRODUCTIVITY ANALYSIS

Physical Attributes

- Site Improvements
 - There are 3.056 acres located on the burgeoning northeast side of San Antonio, TX inside the loop.
 - Utility connections on site include public sewer, water, cable, and electricity.
 - Soil conditions are ideal for development and slight tree coverage provides excellent opportunity for a walking trail.
 - Site slopes gently to the North towards Salado Creek for proper drainage.
- Building Structure
 - 3-Building Garden-Style Multifamily Development
 - Gated community with 100 total units
 - The unit mix will be roughly 15% 3 BR, 65% 2 BR, and 20% 1 BR to tailor to the demographics of the area.
 - Amenities to include resort-style pool, fitness center, clubhouse, business center, and dog park/walking trail.
- Site Analysis & Immediate Area
 - In an excellent neighborhood near prestigious Oakwell Farms with highest average home values in the area.
 - Near Robert Tobin Park, Peak Greenway Trail System, and Salado Creek.



A photograph of a wooden deck area. In the foreground, there is a long wooden bench with several pillows (orange, grey, and patterned) and a small round metal table with two chairs. The deck overlooks a lush green garden with various plants and trees. The structure has large windows and a wooden frame.

PROPERTY PRODUCTIVITY ANALYSIS

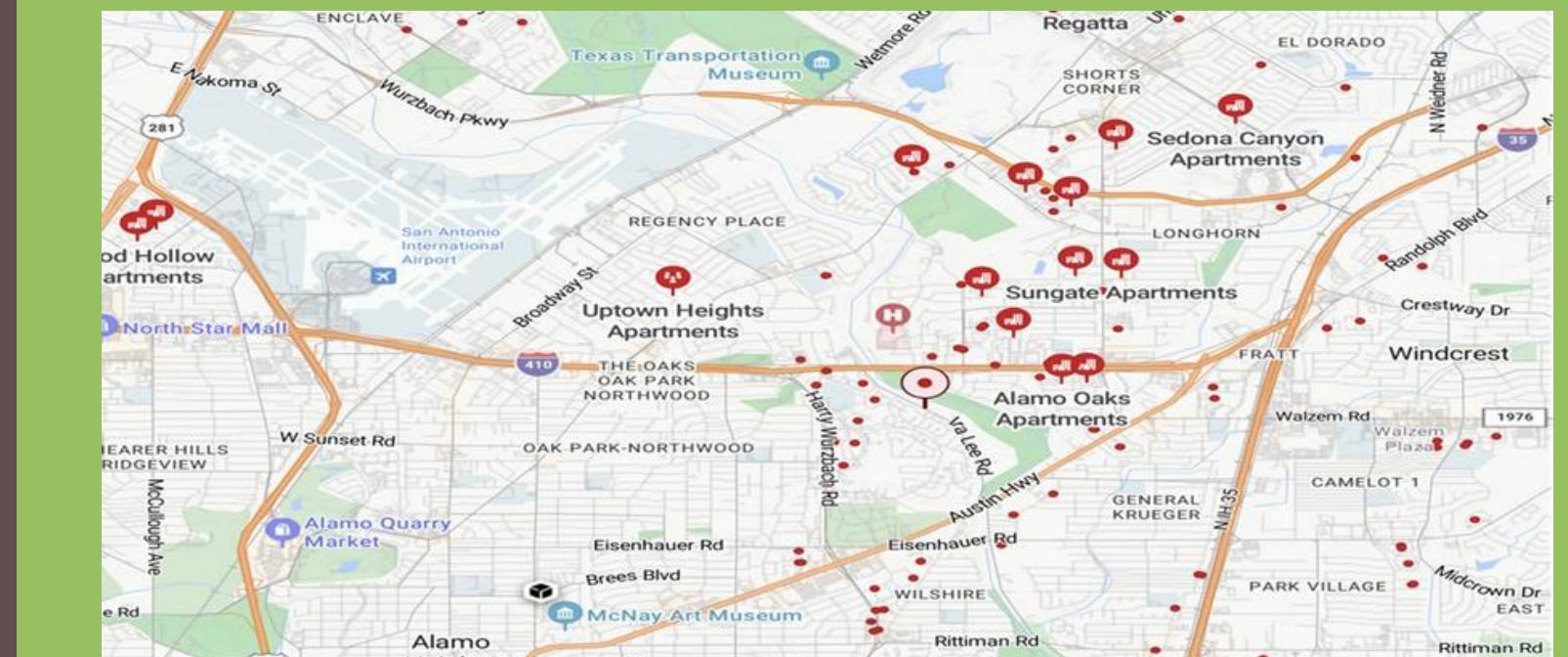
Legal Attributes

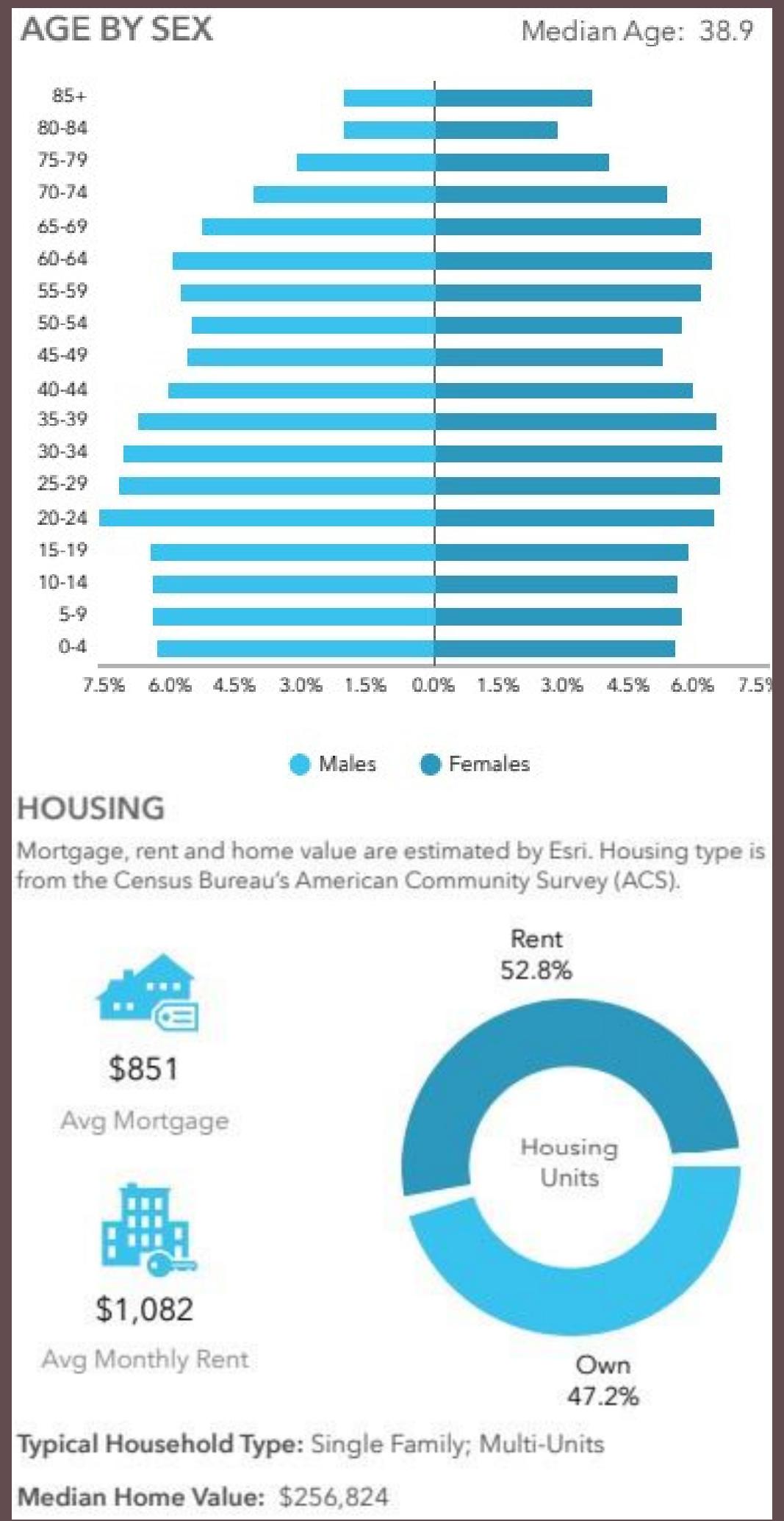
- Property Rights & Restrictions
 - No restrictions exist regarding garden-style multifamily development in the area.
 - Fee Simple Absolute Ownership
 - The site is located outside of the special flood hazard area along the Salado Creek.
 - Only public utility easements exist on the property.
 - Building heights will conform with the surrounding area of single-family residential homes and be no more than 3 stories.
 - There is a parking requirement of 1.5 acres for each 70 units.
- Public Policy & Market Delineation
 - Zoned MF-33, which will allow for 33 units per acre of density which will allow for 100 units on the site.
 - It will be a gated community to conform with the area.
 - The submarket is bounded by Wurzbach Parkway to the North, I-35/410 to the East, Highway 281 to the West, and Alamo Heights to the South.
- Community Preferences
 - The city is pro-development and has projected a need of 28,000 additional rental units by 2030.
 - \$150 million housing bond was recently passed and earmarked for affordable housing development in San Antonio.
 - The prestigious Oakwell Farms neighborhood located just south should not have any objections (NIMBY) as it is buffered by Ira Lee Rd.

DELINEATING THE MARKET

Submarket Area

- Market Delineation & Boundaries
 - Used a 5-mile radius as the majority of demand and competition are located within this market area.
 - The submarket is bounded by Wurzbach Parkway to the North, I-35 to the East, Highway 281 to the West, and Rittiman Rd. to the South.





DELINEATING THE MARKET

Space User Segmentation

- The lack of affordable housing options in the area presents an opportunity for this development to capture this segment of the market.
- As part of the PFC tax abatement program in San Antonio, 60% of the units will have rent caps subject to 80% of AMI, and 10% will have rent caps subject to 60% of the area median income.
 - This is assuming a family only spends 1/3 of their income on housing.
- The unit mix will be tailored to capture the market of young families with 3-4 people per household.

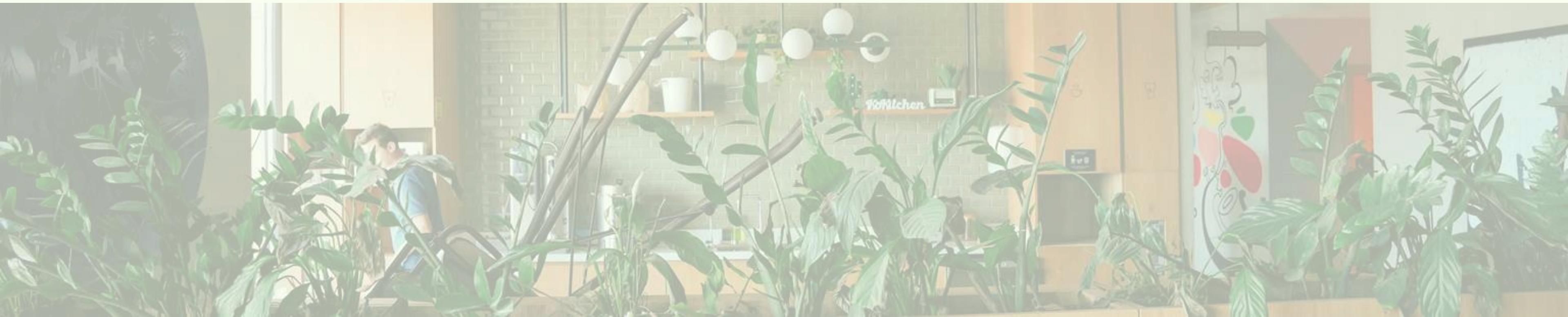
DEMAND ANALYSIS

- The city of San Antonio has seen a population growth of over 20% in the past decade.
- With a drastic increase in basic jobs, employees with median incomes have surged 37% in the past decade, which contributes to the need for affordable housing.
 - Major employers include the airport, Amazon Fulfillment Center, HEB Fulfillment Centers, USPS, USAA, and Airforce and Army bases.
- The majority of young couples and families cannot afford the housing options in the area.



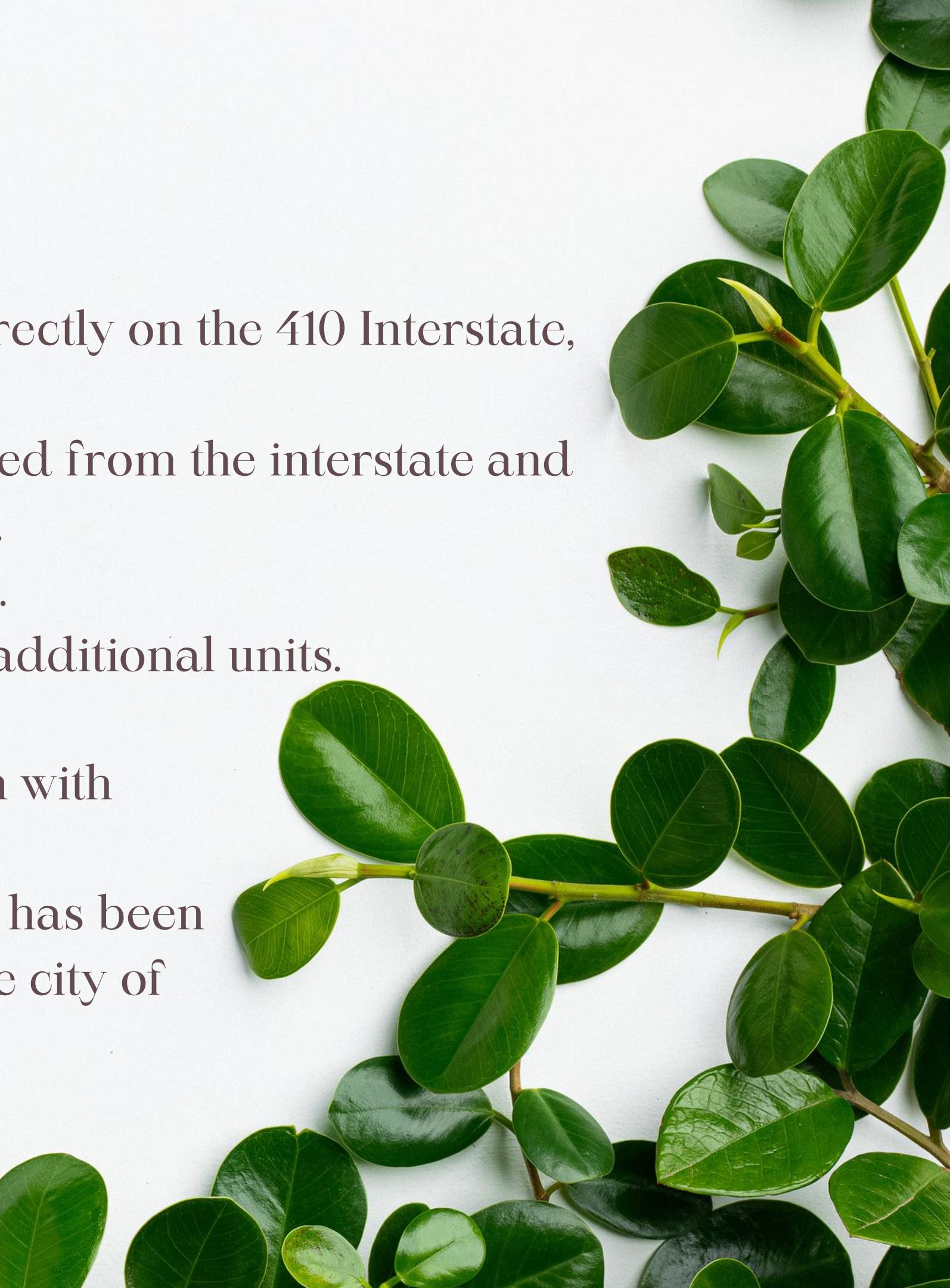
DEMAND ANALYSIS

- This area does not possess affordable, attractive options for the younger demographic in the area.
- This development would provide affordable luxury living to the targeted median income families.
- This location of this development would provide short commutes for those working at the airport, as well as downtown San Antonio.



SUPPLY ANALYSIS

- The majority of competitive properties all are located directly on the 410 Interstate, which brings an abundance of noise to the residents.
 - With the proposed development located being removed from the interstate and near a greenbelt, it will not be subjected to such noise.
- The current occupancy within the submarket is near 95%.
- Rents have climbed 12% since 2021 indicating a need for additional units.
 - The city has estimated a need of 28,000 units.
 - There are currently 7,868 units under construction with another 18,665 being proposed.
 - To finance development, a \$150 million housing bond has been passed for affordable housing and preservation in the city of San Antonio.



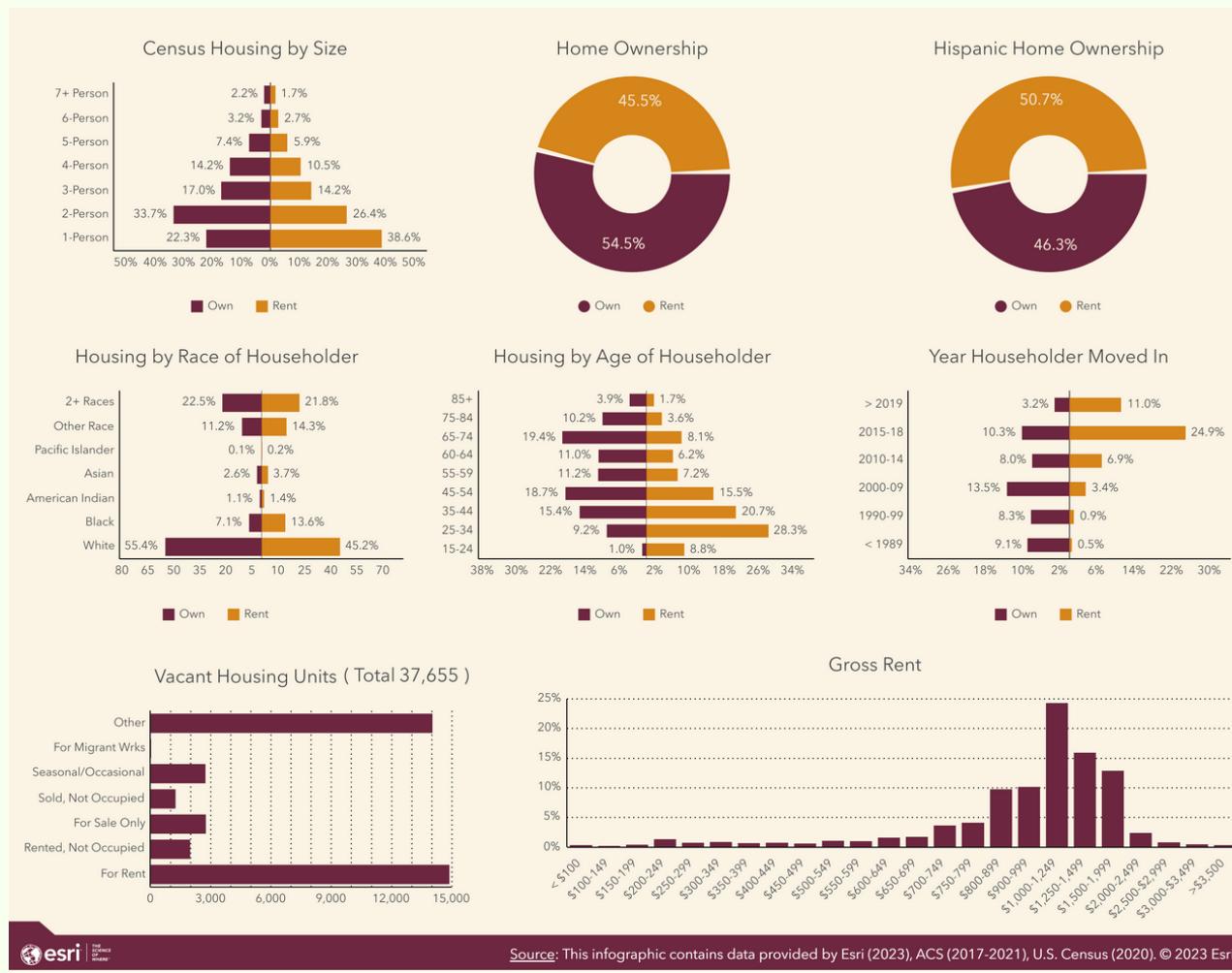
MARKET CONDITION ANALYSIS

10-Mile Radius EBA

- Civilian Labor Force
 - Total Population Employed: 475,888
 - White Collar: 287,345
 - Blue Collar: 95,959
 - Service Workers: 92,584
 - 4.8% Unemployment Rate
- Location Quotients > 1
 - Construction, Retail Trade, Finance and Insurance, Real Estate, Waste Management, Food Services & Other Services
 - Basic Employment Amount: 222,664
- Static Economic Base Multiplier
 - $457,888 / 222,664 = 2.06$
- Population to Employment Ratio
 - $1,001,308 / 475,888 = 2.1$

MARKET CONDITION ANALYSIS

Housing Breakdown



- 65 % of the renters in the market are 1- 2 person homes with an age between 25 to 44.
 - The renterstrend has increased dramatically since 1989 (0.5% of market in 1989) and more renters have moved into area than homeowners in 2019.
- Majority of owners are 2 people (33.7%) or 3 people (17 %) houses creating 50% of the owners housing market.
- The gross rent is between \$1,000- \$1,499.
- 40% of vacant housing units are units for rent.
- Housing income is roughly \$74,999 with the mortgage taking 10-24% of the salary for majority of the homeowners.

MARKET CONDITION ANALYSIS

Key Facts & Demographics

- Demographics
 - Total Population: 1,001,308
 - Median Age: 36.4
 - Households: 390,904
 - Median Disposable Income: \$50,875
- Homeowner Race
 - White: 74%
 - Black: 2.1%
 - Asian: 2.2%
 - American Indian: 0.6%
 - Pacific Islander: 0.2%
 - Other: 6.3%
 - 2+ Races: 14.6%
- Education
 - 25.2% High School Graduate
 - 28.3% Associates Degree
 - 33.3% Bachelor's or Graduate Degree

SUBJECT MARKETABILITY ANALYSIS

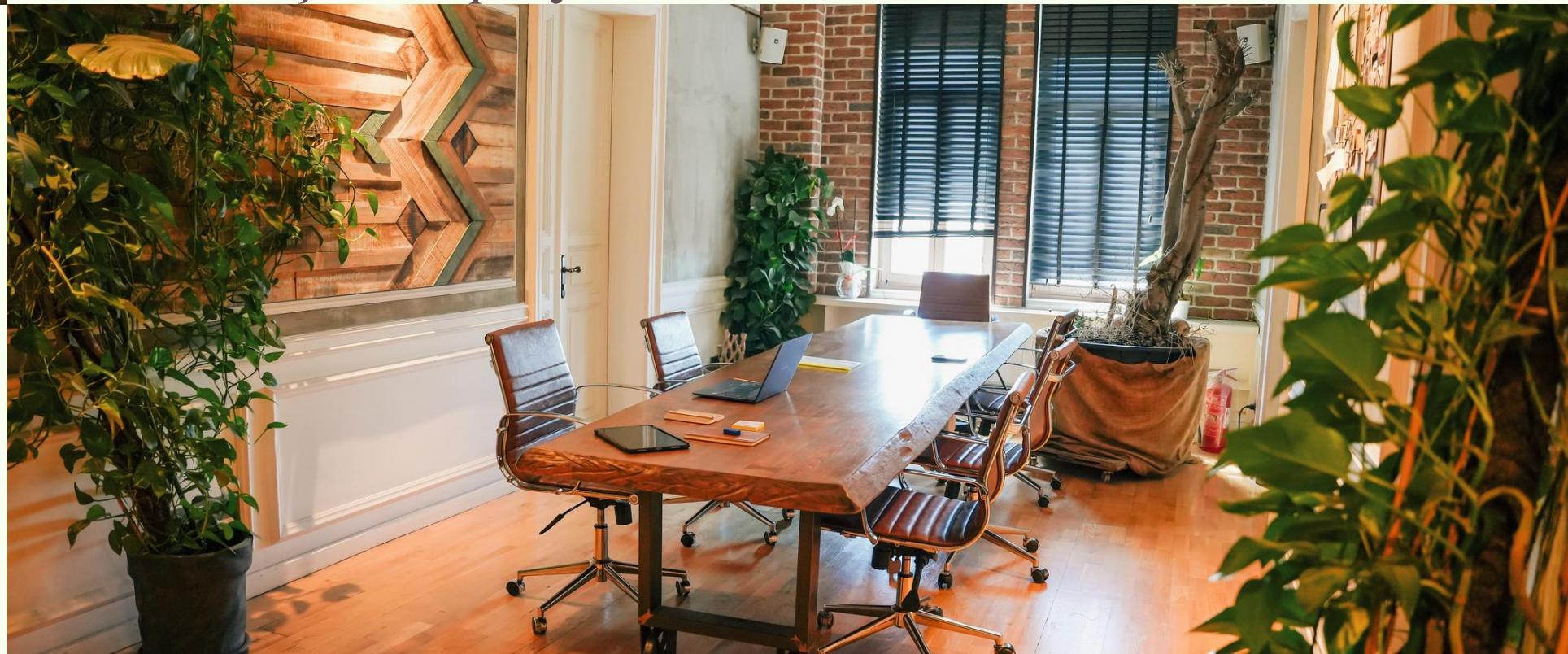


Target Market

- Middle Age
- 26-40 Years Old
- Starting Adulthood
- Earning Median Income or Above (\$52,467)

The Market

- The market for renting apartments has seen steady growth.
 - Population Growth
 - There is a lower cost of living compared to other cities.
- There is a good balance of supply and demand.
- There are rising rents near downtown, entertainment, and major employers.



SUBJECT MARKETABILITY ANALYSIS

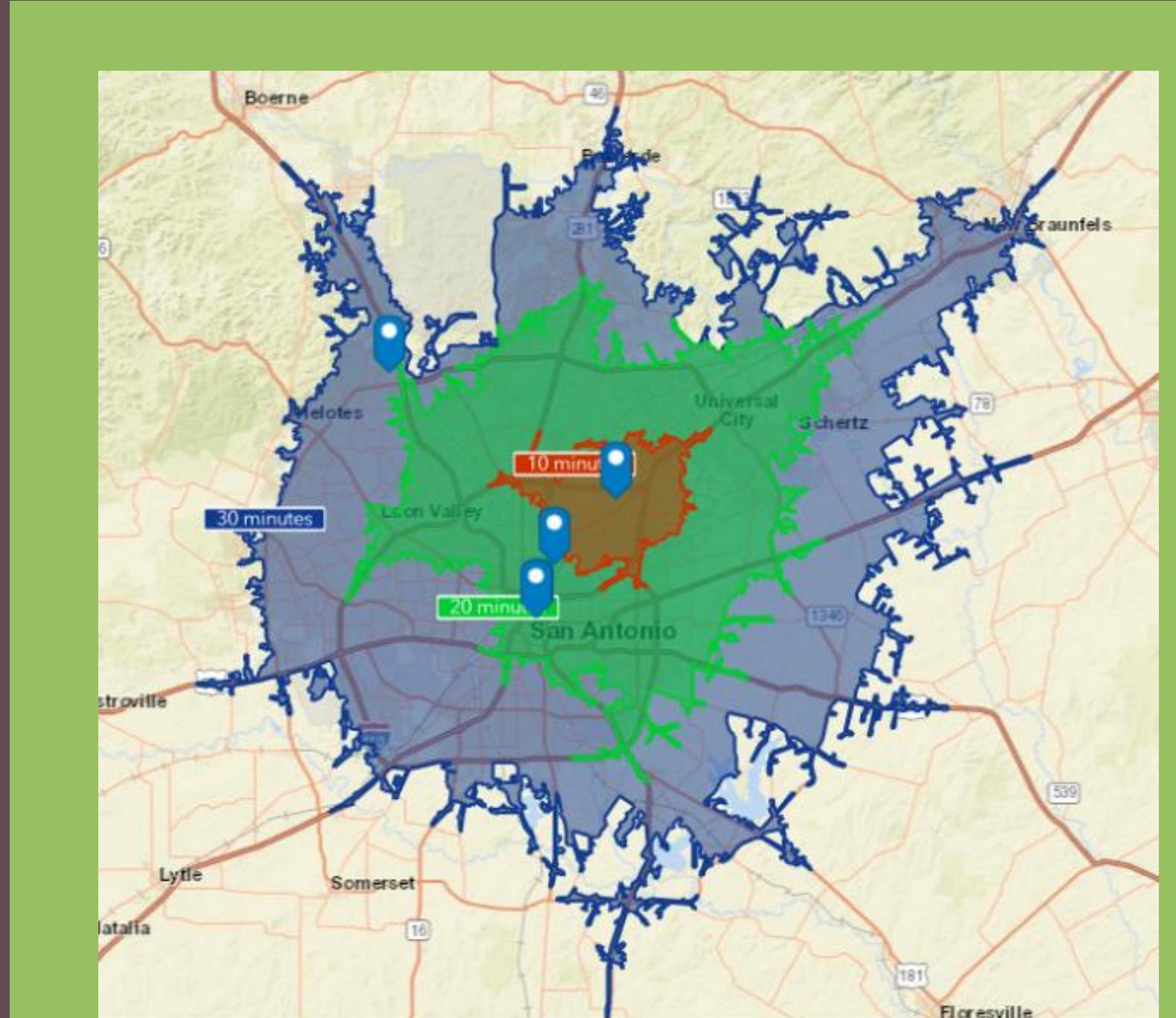
Competitors (3 Min. Drive Time)

- The direct competition has properties much older, with most built in the late 1990s and one built in 1967.
 - This property would be smaller than our competition which averages around 250 units each.
 - Most of the competition only offers 1- and 2-bedrooms, which is not large enough to accommodate the targeted market of younger families.
 - The competitive properties are 2-3 stories in building height, which is similar to the proposed development.
 - The competitive properties have ratings below 4.0 (out of 5).
 - Many of the negative reviews are related to deferred maintenance and slow work order turnaround time.
- | | Subject Property | Algarita Lakeside | Villas at Oakwell | Oakhampton | Oak Manor |
|-----------------|------------------|-------------------|-------------------|------------|-------------|
| Year Built | 2023 | 1999 | 1995 | 1998 | 1967 |
| Total Units | 100 | 260 | 250 | 280 | 229 |
| Style | Garden | Garden | Garden | Garden | Garden |
| Unit Types | 1-3 BR | 1-2 BR | 1-2 BR | 1-2 BR | Studio-3 BR |
| Amenities (1-5) | 5 | 4 | 4 | 3 | 2 |
| Avg. Rent | \$1,300 | \$1,424 | \$1,364 | \$1,389 | \$1,324 |
| Reviews | 4.5 | 3.7 | 3.0 | 3.9 | 2.0 |

SUBJECT MARKETABILITY ANALYSIS

Location

- Just North of Downtown
- A 20-30 minute drive from The Alamo, the Riverwalk, the San Antonio Zoo, and Six Flags.



THANKS & GIG 'EM

